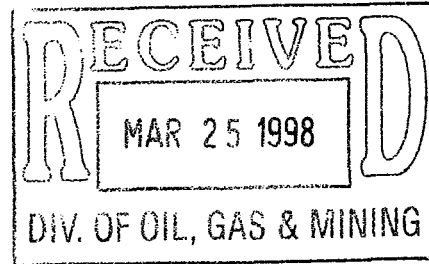




**Coastal**  
The Energy People



March 24, 1998

State of Utah  
Division of Oil, Gas & Mining  
1594 West North Temple, Suite 1210  
Salt Lake City, UT 84114-5801

**Re: Morgan State #14-36  
Morgan State #15-36  
Morgan State #16-36**

To whom it may concern:

Enclosed is the Application for Permit to Drill (APD), the Drilling Program, and the Surface Use and Operations Plan for the referenced wells.

If you have any questions concerning the enclosed documents, please contact me at (303) 573-4476.

Sincerely,

Bonnie Carson  
Senior Environmental Analyst

Enc.

**Coastal Oil & Gas Corporation**

A SUBSIDIARY OF THE COASTAL CORPORATION

600 17TH ST • STE 800 S • P O BOX 749 • DENVER CO 80201-0749 • 303/572-1121

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

## APPLICATION FOR PERMIT TO DRILL OR DEEPEN

1A. Type of Work

DRILL ☒DEEPEN ☐

B. Type of Well

OIL ☐GAS ☒OTHER: ☐SINGLE ZONE ☐MULTIPLE ZONE ☐

2. Name of Operator:

Coastal Oil &amp; Gas Corporation

3. Address and Telephone Number:

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well (Footages)

At surface:

681' FSL &amp; 738' FWL

At proposed proding zone:

106 226

14. Distance in miles and direction from nearest town or post office:

Approximately 49.2 miles southwest of Vernal, Utah

15. Distance to nearest property or lease line (feet):

681'

16. Number of acres in lease:

639.20

17. Number of acres assigned to this well:

40

18. Distance to nearest well, drilling, completed, or applied for, on this lease (feet):

See Map C

19. Proposed Depth:

8200'

20. Rotary or cable tools:

Rotary

21. Elevations (show whether DR, RT, GR, etc.):

5110' GL Ungraded

22. Approximate date work will start:

Upon Approval

23.

## PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	GRADE, SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
PLEASE SEE ATTACHED DRILLING PROGRAM				

DESCRIBE PROPOSED PROGRAM: If proposal is to deepen, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

Coastal Oil & Gas Corporation proposes to drill a well to the proposed TD as stated above. If productive, casing will be run and the well completed. If dry, the well will be plugged and abandoned as per State of Utah requirements.

See the Drilling Program and Multi-point Surface Use & Operations Plan, attached.

Coastal Oil & Gas Corporation is considered to be the operator of the subject well. It agrees to be responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided for by Coastal's Bond #102103.

24.

Bonnie Carson

Name &amp; Signature

Title:

Senior Environmental Analyst

Date: 3/24/98

(This space for State use only)

API Number Assigned:

43-047-33092

Approved by the  
Utah Division of  
Oil, Gas and Mining

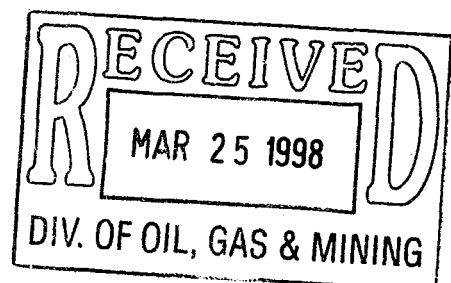
Date:

4/30/98

By:

Approval:

(See Instructions on Reverse Side)



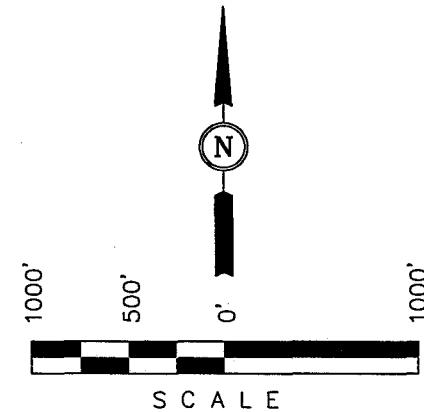
**T9S, R21E, S.L.B.&M.**

**COASTAL OIL & GAS CORP.**

Well location, MORGAN STATE #14-36, located as shown in Lot 4 of Section 36, T9S, R21E, S.L.B.&M., Uintah County, Utah.

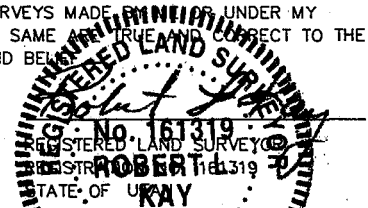
**BASIS OF ELEVATION**

TWO WATERS TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE QUADRANGLE, UTAH, UTAH COUNTY, 7.5 MINUTE SERIES (TOPOGRAPHICAL MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

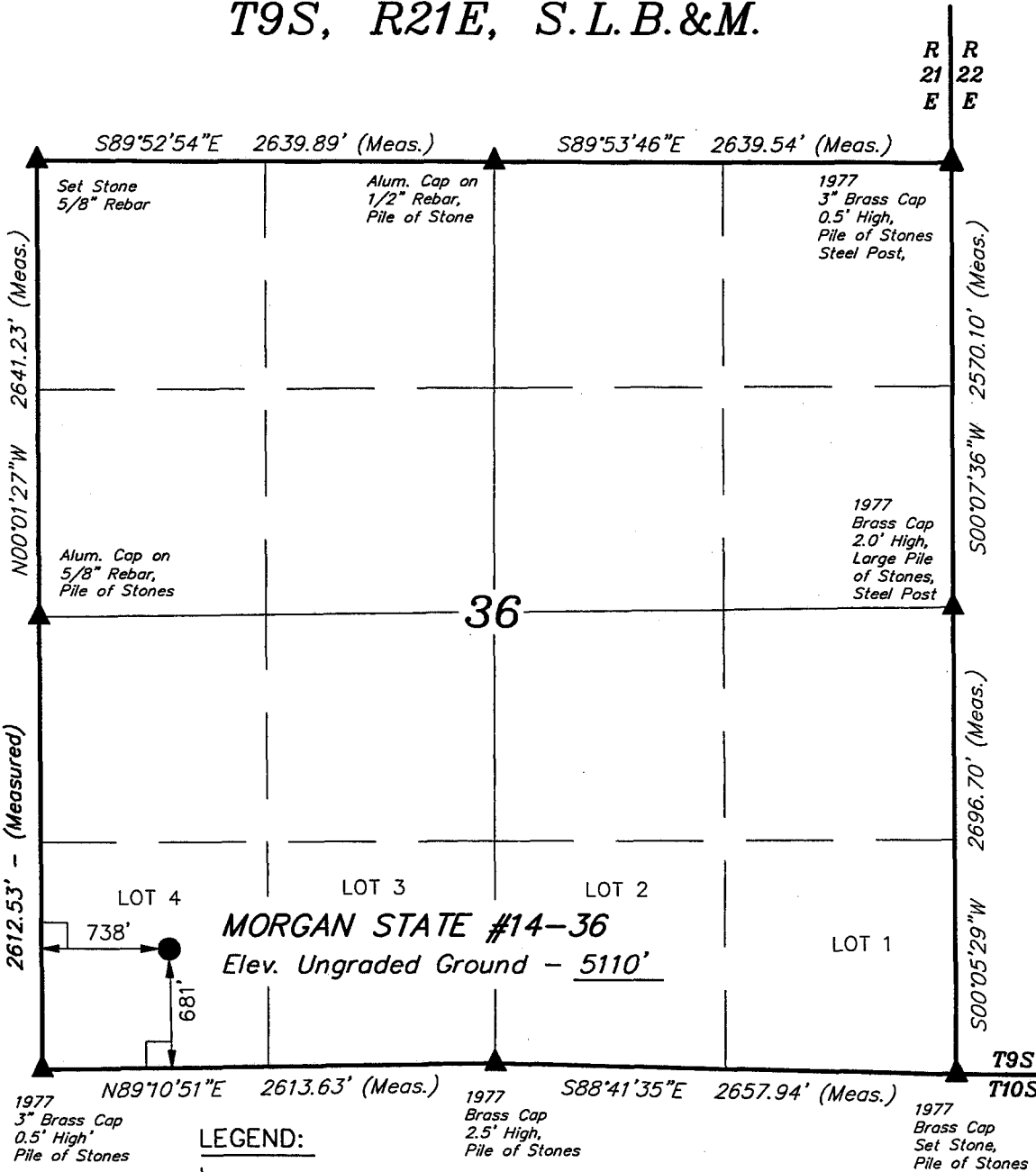


**CERTIFICATE**

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



N00°03'E - G.L.O. (Basis of Bearings)  
2612.53' - (Measured)



**LEGEND:**

- └─┘ = 90° SYMBOL
- = PROPOSED WELL HEAD.
- ▲ = SECTION CORNERS LOCATED.

**UINTAH ENGINEERING AND SURVEYING**  
85 SOUTH 200 EAST - VERNON, UTAH 84078  
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 02-18-98	DATE DRAWN: 02-24-98
PARTY J.F. J.K. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE COASTAL OIL & GAS CORP.	

**MORGAN STATE #14-36  
681' FSL & 738' FWL  
SW/SW (Lot 4), SECTION 36-T9S-R21E  
UINTAH COUNTY, UTAH**

**COASTAL OIL & GAS CORPORATION**

***DRILLING PROGRAM***

The proposed wellsite is on State of Utah surface/State of Utah minerals.

**1. Estimated Tops of Important Geologic Markers:**

Formation	Depth
Duchesne River/Uinta	Surface
Green River	1,520'
Wasatch	4,670'
Mesaverde Sand	7,370'
Total Depth	8,200'

**2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
Oil/Gas	Green River	1,520'
	Wasatch	4,670'
	Mesaverde Sand	7,370'
Water	N/A	
Other Minerals	N/A	

All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. Oil and gas shows will be tested to determine commercial potential.

**3. Pressure Control Equipment: (Schematic Attached)**

- a. The BOP stack will consist of one 11" 3,000 psi annular BOP, one 11" 3,000 psi double ram, and one 11" drilling spool. The lower ram will contain pipe rams, and the upper ram will contain blind rams.
- b. The choke and kill lines and the choke manifold will have a 3,000 psi minimum pressure rating.
- c. Testing: The hydril will be tested to 1,500 psi. The rams, choke manifold, kelly safety valves, drill string safety valves, and inside BOP will be tested to 2,000 psi.

4. **Proposed Casing and Cementing Program:**

- a. The proposed Casing Program will be as follows:

Purpose	Depth	Hole Size	Csg Size	Wt/ft	Grade	Type
Surface	0-250'	12 1/4"	8 5/8"	24#	K-55	ST&C
Production	0-TD	7 7/8"	4 1/2"	11.6#	K-55	LT&C

The surface casing will be tested to 1,500 psi prior to drilling out.

Casing design is subject to revision based on geologic conditions encountered.

- b. The Cement Program will be as follows:

Surface	Fill	Type & Amount
0-250'	250'	Approximately 190 sx Class "G" + 2% CaCl <sub>2</sub> , 15.6 ppg, 1.19 CF/sx.
Production		Type & Amount
500' above productive interval to surface		Lead: Extended, Lite, or Hi-Fill cement + additives, 11 ppg.
TD to 500' above productive interval		Tail: Extended Class "G" or 50:50 Poz + additives, 14 ppg.

For production casing, actual cement volumes will be determined from the caliper log.

For surface casing, waiting on cement time will be adequate to achieve 500 psi compressive strength at the shoe prior to drilling out.

5. **Drilling Fluids Program:**

Interval	Type	Mud Wt.
0-TD'	Air/Air Mist/Aerated Water/Water (As hole conditions warrant.) Depending on hole conditions, the hole will be displaced to either 10 ppg brine or drilling mud prior to logging.	8.4 ppg or less

No chromate additives will be used in the mud system without prior approval to ensure adequate protection of fresh water aquifers.

**6. Evaluation Program:****a. Logging Program:**

DLL/SP:	Base of surface casing to TD
GR/Neutron Density:	2500' -TD

Drill Stem Tests:	None anticipated.
-------------------	-------------------

The Evaluation Program may change at the discretion of the well site geologist.

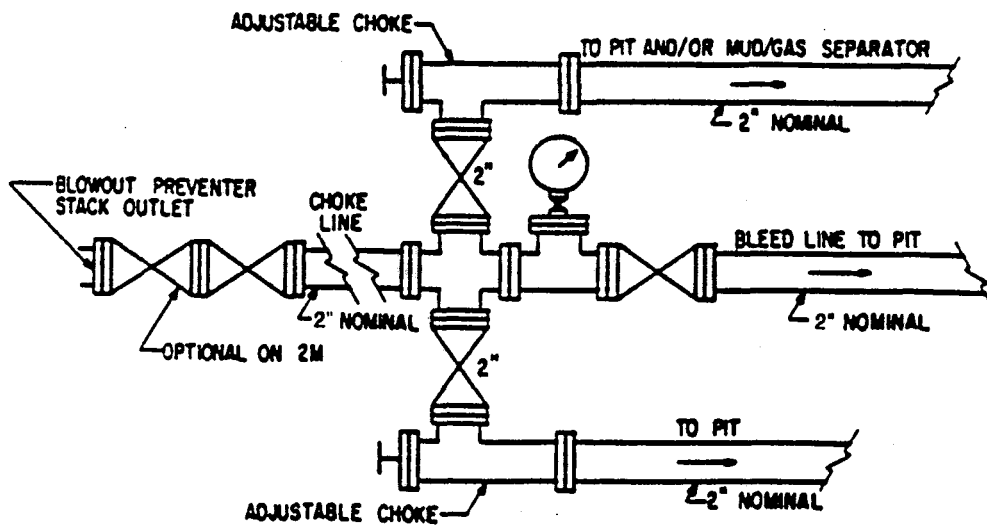
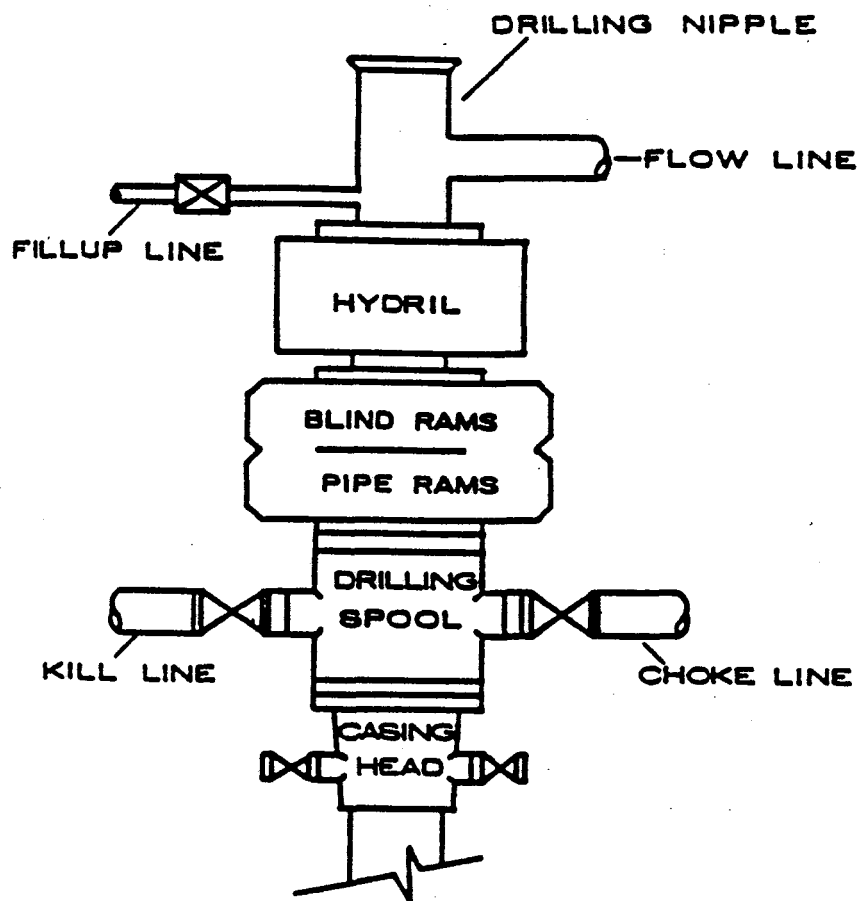
- b. No drill stem tests, stimulation, or frac treatment has been formulated for this well at this time; however, the drill site, as approved, will be of sufficient size to accommodate all completion activities. Any frac treatment program specifics will be submitted via sundry notices.

**7. Abnormal Conditions:**

No abnormal temperatures or pressures are anticipated. No hydrogen sulfide has been encountered in or is known to exist from previous drilling in the area at this depth. Maximum anticipated bottomhole pressure approximately equals 3,280 psi (calculated at 0.4 psi/foot) and maximum anticipated surface pressure equals approximately 1,476 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

# BOP STACK

3,000 PSI



3,000 PSI CHOKES MANIFOLD

**MORGAN STATE #14-36  
681' FSL & 738' FWL  
SW/SW (Lot 4), SECTION 36-T9S-R21E  
UINTAH COUNTY, UTAH  
COASTAL OIL & GAS CORPORATION**

***MULTI-POINT SURFACE USE & OPERATIONS PLAN***

*This Surface Use and Operations Plan is subject to change pending completion of the on-site inspection.*

**1. Existing Roads:**

The proposed wellsite is approximately 49.2 miles southwest of Vernal, Utah.

Directions to the location from Vernal, Utah, are:

Proceed westerly from Vernal on U.S. Highway 40 approximately 14.0 miles to the junction of State Highway 88; exit left and proceed south approximately 17.0 miles on State Highway 88 to Ouray, Utah; proceed south from Ouray approximately 6.9 miles on the Seep Ridge Road to the junction of this road and an existing oil field service road to the east; turn left and proceed in an easterly direction approximately 5.0 miles to the junction of this road and an existing road to the north; turn left and proceed in a northerly direction approximately 0.3 miles to the junction of this road and an existing road to the northeast; turn right and proceed in a northeasterly direction approximately 3.8 miles to the junction of this road and an existing road to the southeast; proceed in a southeasterly direction approximately 1.8 miles to the junction of this road and an existing road to the south; proceed in a southerly direction approximately 0.3 miles to the proposed location.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

*Improvements to existing access roads shall be determined at the on-site inspection.*

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

**2. Planned Access Roads:**

No new access will be required.

*Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities shall be determined at the on-site.*

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.



3. **Location of Existing Wells Within a 1-Mile Radius:** (See Map C)

- a. Water wells - 0
- b. Producing wells - 30
- c. Drilling wells - 0
- d. Shut-in wells - 0
- e. Temporarily abandoned wells - 0
- f. Disposal wells - 0
- g. Abandoned wells - 0
- h. Injection wells - 0

4. **Location of Existing and Proposed Facilities:**

The following guidelines will apply if the well is productive.

- a. All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.
- b. A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.
- c. All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Desert Brown, Munsell standard color number 10 YR 6/3.

- d. Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.
- e. The proposed pipeline will leave the well pad in a northerly direction for an approximate distance of 210' to tie into an existing pipeline. The existing pipeline will need to be re-routed to the east to accommodate the proposed location. *The section is subject to modification as a result on the on-site inspection.* Please see Map D.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Section 32-T4S-R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

- a. Drill cuttings will be contained and buried in the reserve pit.
- b. Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.
- c. The reserve pit will be constructed on the location and will not be located within natural drainages, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids. *The need for a reserve pit liner will be determined at the on-site inspection.*

If a plastic reinforced liner is used, it will be a minimum of 12 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.
- d. Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.
- e. A chemical porta-toilet will be furnished with the drilling rig.
- f. Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.
- g. All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

- h. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s). *This section is subject to modification as a result of the on-site inspection.*

See the attached diagram to describe rig orientation, parking areas, and access roads.

- a. The reserve pit will be located on the northeast side of the location.
- b. The stockpiled topsoil (first six inches) will be stored on the southeast side of the location. All brush removed from the well pad during construction will be stockpiled separately from the topsoil.
- c. The flare pit will be located on the east side of the location, downwind from the prevailing wind direction.
- d. Access will be from the northwest.
- e. All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

- f. The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

a. **Producing Location:**

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

If a plastic, nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water(s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

b. **Dry Hole/Abandoned Location:**

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and the re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

**11. Surface Ownership:**

- a. Access Roads - The proposed access road is located on lands owned by:
  - State of Utah  
Division of State Lands & Forestry
- b. Well Pad - The well is located on land owned by:
  - State of Utah  
Division of State Lands & Forestry  
3 Triad Center, #400  
Salt Lake City, Utah 84180-1204

**12. Other Information:**

- a. All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.
- b. The Operator will control noxious weeds along right-of-ways for roads, pipelines, well sites, or other applicable facilities.
- c. Archaeological clearance for Section 36-T9S-R21E was obtained from Mr. Jim Cooper, Utah State Lands Trust.

**13. Lessee's or Operators's Representative and Certification:**

Bonnie Carson  
Senior Environmental Analyst  
Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, CO 80201-0749  
(303) 573-4476


Tom Young  
Drilling Manager  
Coastal Oil & Gas Corporation  
9 Greenway Plaza, Suite 2770  
Houston, TX 77046  
(713) 877-4156

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made

in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the operator, its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

  
\_\_\_\_\_  
Bonnie Carson

3-24-98  
Date

# COASTAL OIL & GAS CORP.

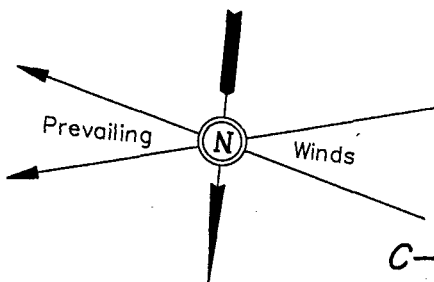
## LOCATION LAYOUT FOR

MORGAN STATE #14-36

SECTION 36, T9S, R21E, S.L.B.&M.

681' FSL 738' FWL

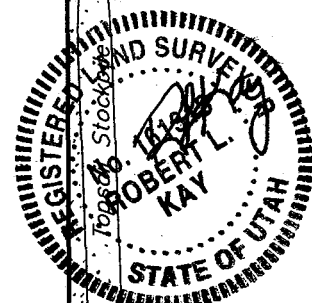
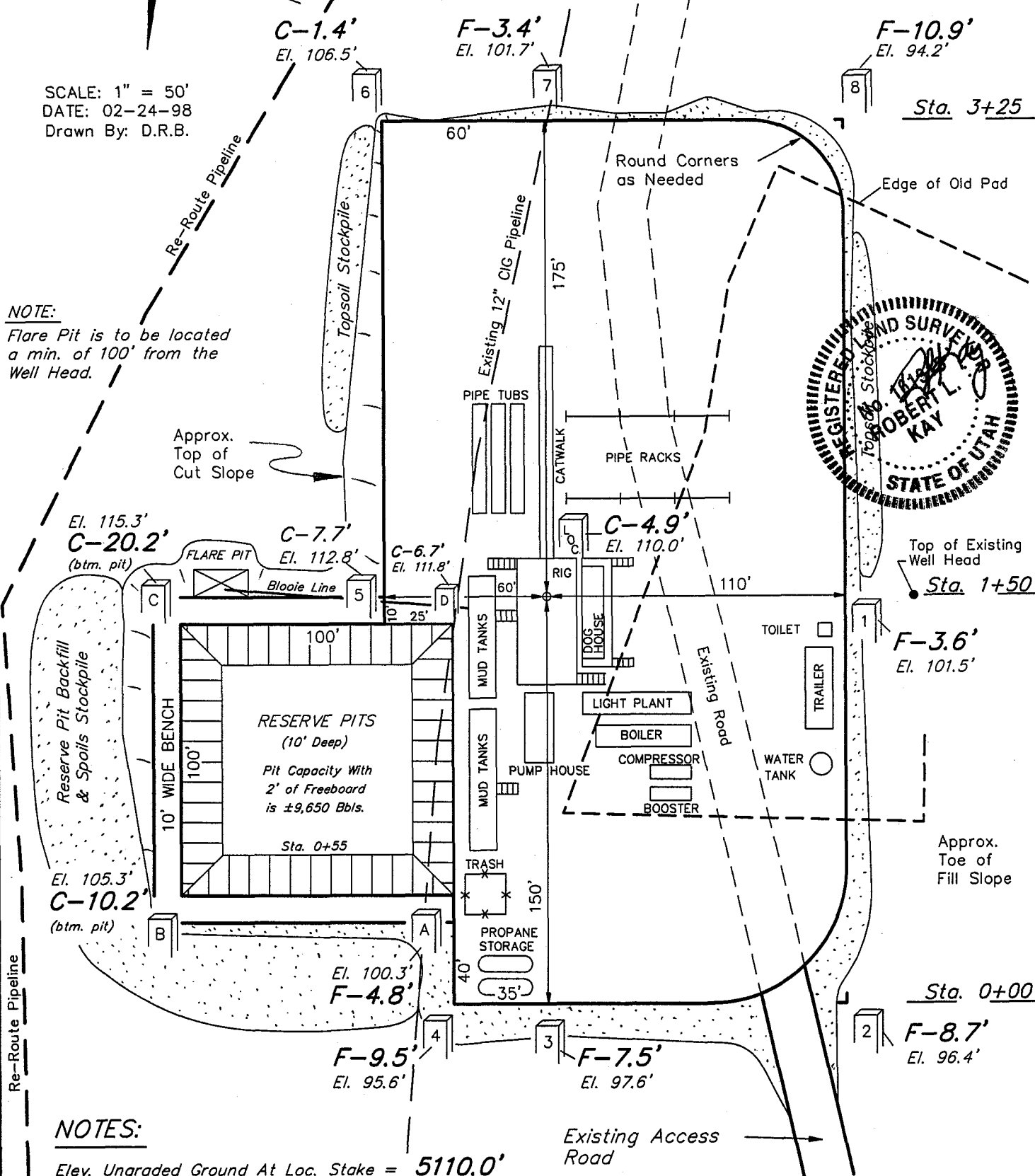
FIGURE #1



SCALE: 1" = 50'  
DATE: 02-24-98  
Drawn By: D.R.B.

### NOTE:

Flare Pit is to be located a min. of 100' from the Well Head.



### NOTES:

Elev. Ungraded Ground At Loc. Stake = 5110.0'

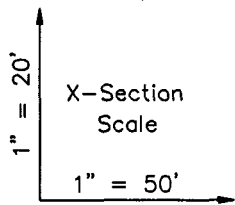
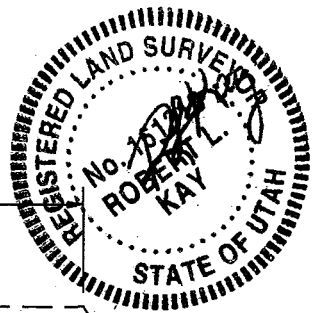
FINISHED GRADE ELEV. AT LOC. STAKE = 5105.1'

UINTAH ENGINEERING & LAND SURVEYING  
85 So. 200 East \* Vernal, Utah 84078 \* (435) 789-1017

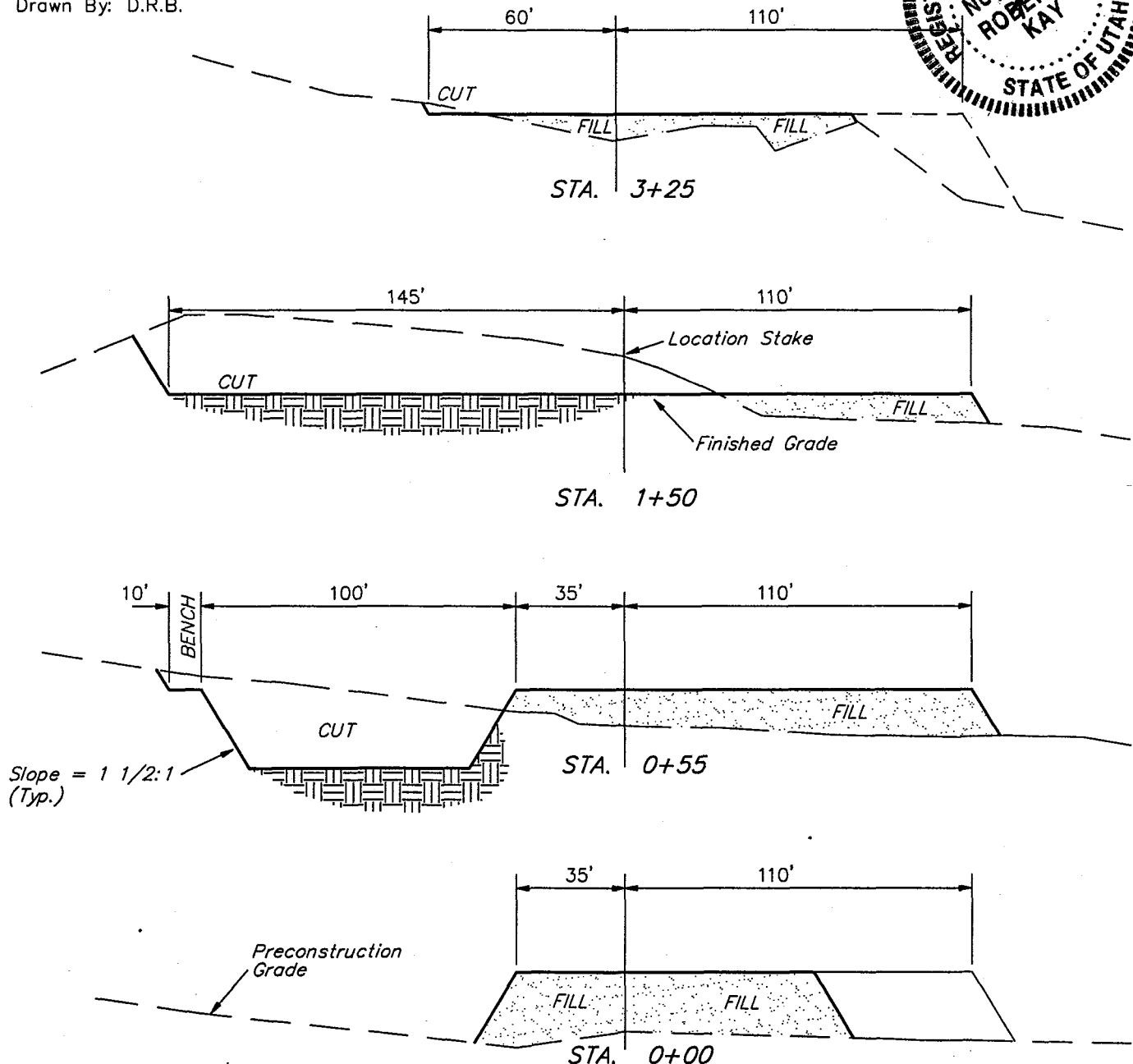
# COASTAL OIL & GAS CORP.

## TYPICAL CROSS SECTIONS FOR

MORGAN STATE #14-36  
SECTION 36, T9S, R21E, S.L.B.&M.  
681' FSL 738' FWL



DATE: 02-24-98  
Drawn By: D.R.B.



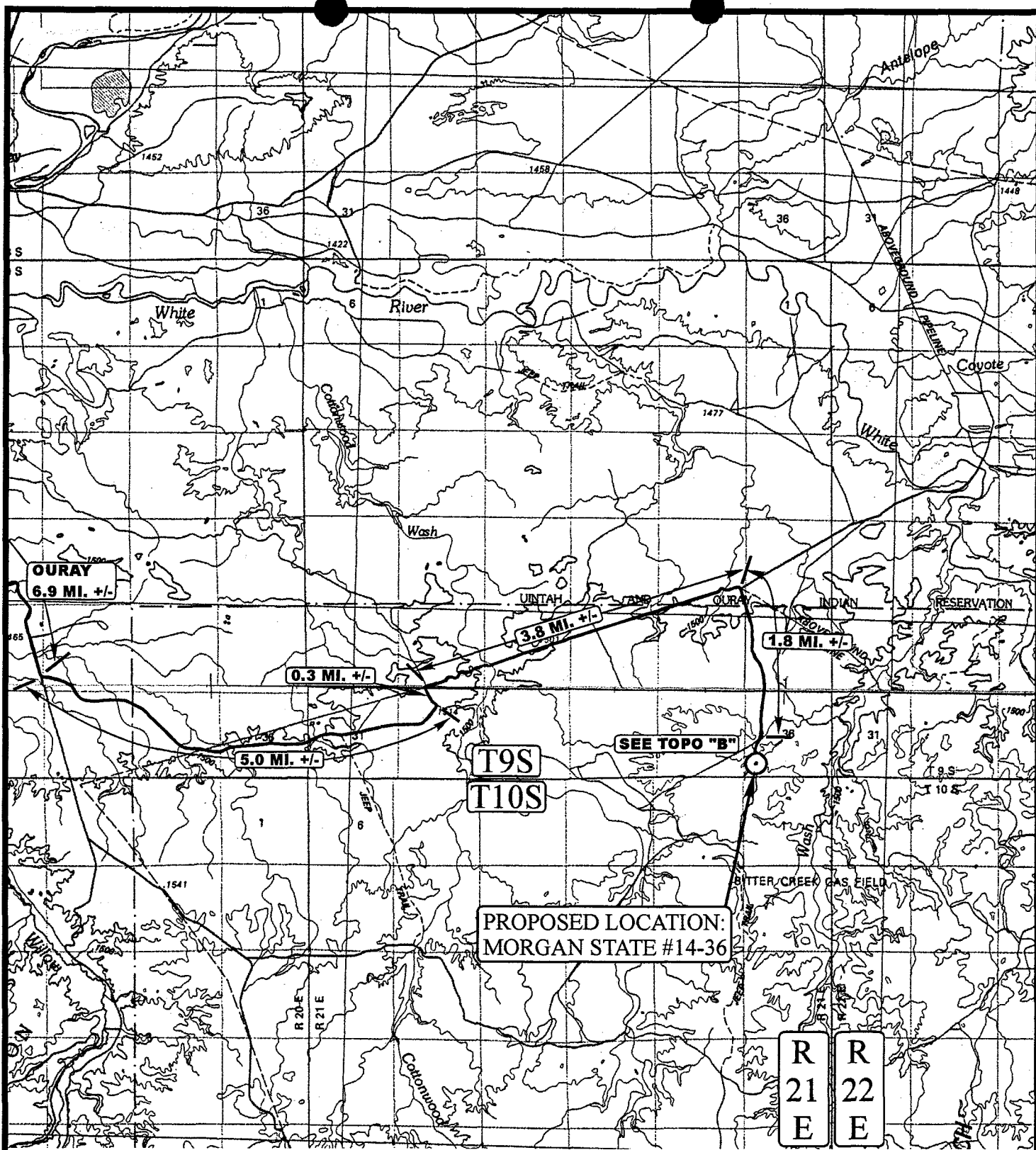
**FIGURE #2**

### APPROXIMATE YARDAGES

<b>CUT</b>	
(6") Topsoil Stripping	= 1,140 Cu. Yds.
Remaining Location	= 7,510 Cu. Yds.
<b>TOTAL CUT</b>	<b>= 8,650 CU.YDS.</b>
<b>FILL</b>	<b>= 5,860 CU.YDS.</b>

EXCESS MATERIAL AFTER 5% COMPACTION	= 2,480 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 2,480 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 0 Cu. Yds.





# LEGEND:

○ PROPOSED LOCATION

COASTAL OIL & GAS CORP.

MORGAN STATE #14-36  
SECTION 36, T9S, R21E, S.L.B.&M.  
681' FSL 738' FWL



Uintah Engineering & Land Surveying  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

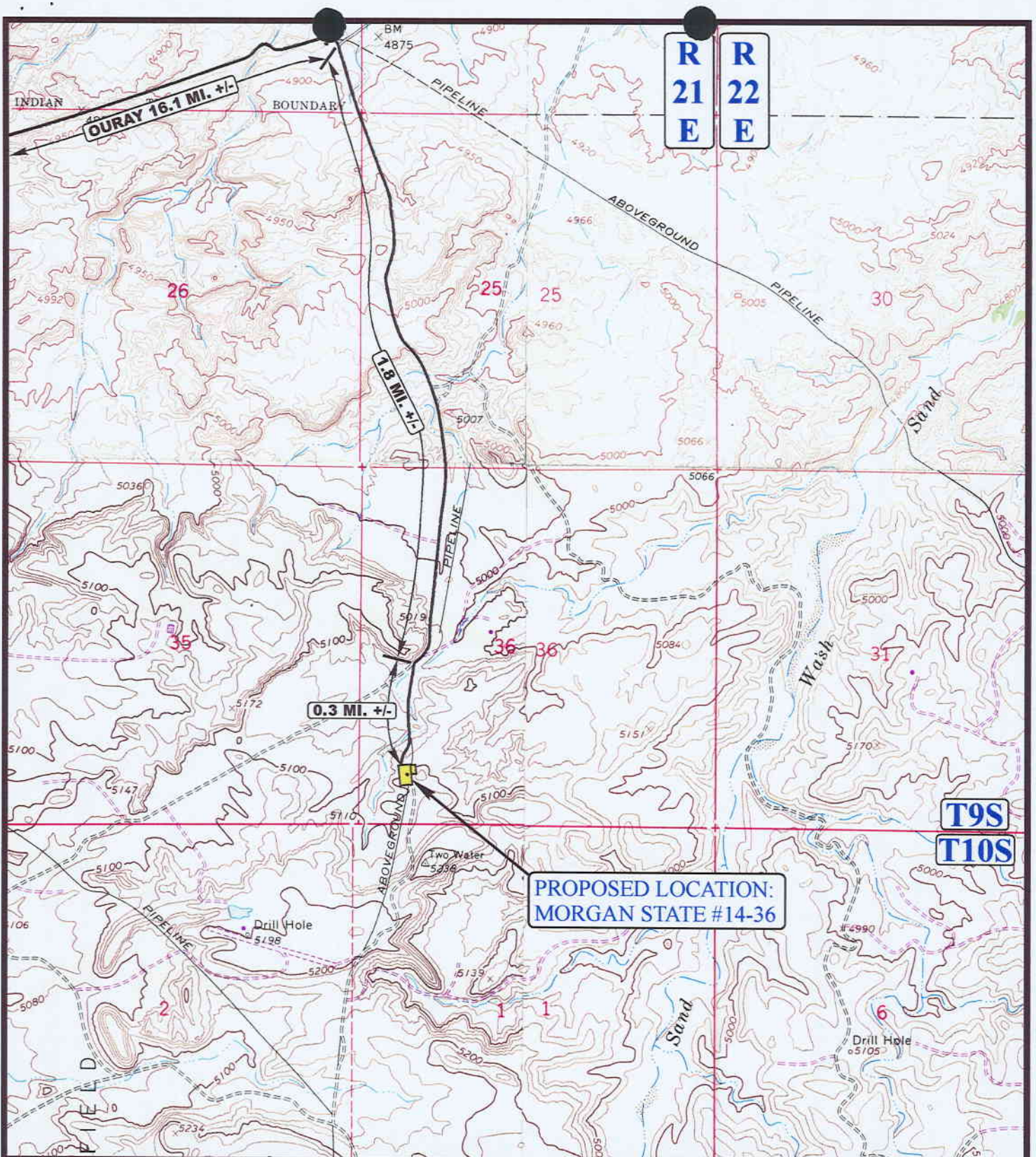
TOPOGRAPHIC  
MAP

2 24 98  
MONTH DAY YEAR

SCALE: 1" = 100,000' DRAWN BY: C.G. REVISED: 00-00-00

A  
TOPO





# LEGEND:

--- PROPOSED ACCESS ROAD  
--- EXISTING ROAD

COASTAL OIL & GAS CORP.

MORGAN STATE #14-36  
 SECTION 36, T9S, R21E, S.L.B.&M.  
 681' FSL 738' FWL



Uintah Engineering & Land Surveying  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



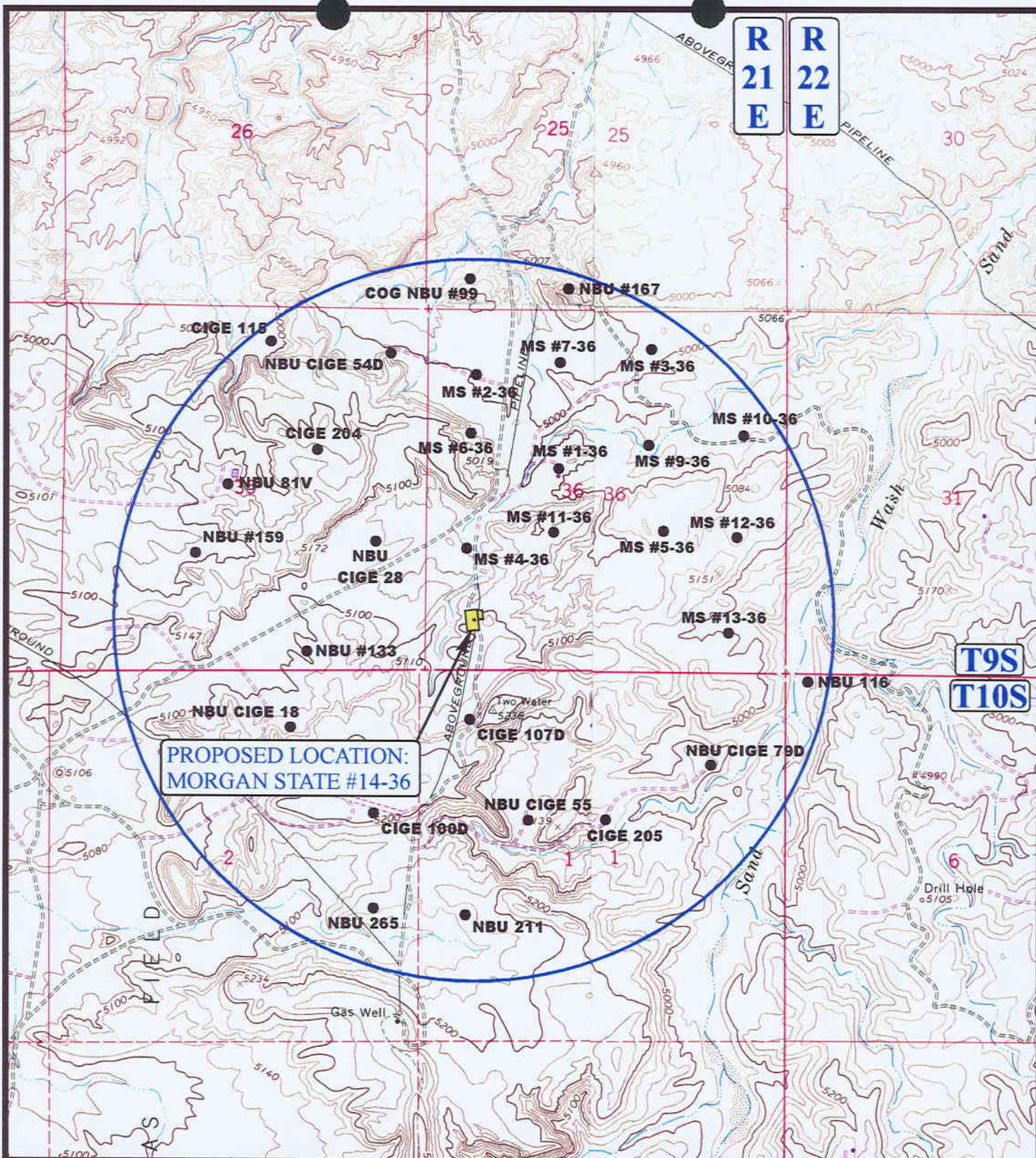
TOPOGRAPHIC  
 MAP

2 24 98  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

B  
 TOPO





# LEGEND:

- |                   |                         |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS  | ⊗ WATER WELLS           |
| ● PRODUCING WELLS | ⊗ ABANDONED WELLS       |
| ⊙ SHUT IN WELLS   | ⊗ TEMPORARILY ABANDONED |

## COASTAL OIL & GAS CORP.

**MORGAN STATE #14-36**  
**SECTION 36, T9S, R21E, S.L.B.&M.**  
**681' FSL 738' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



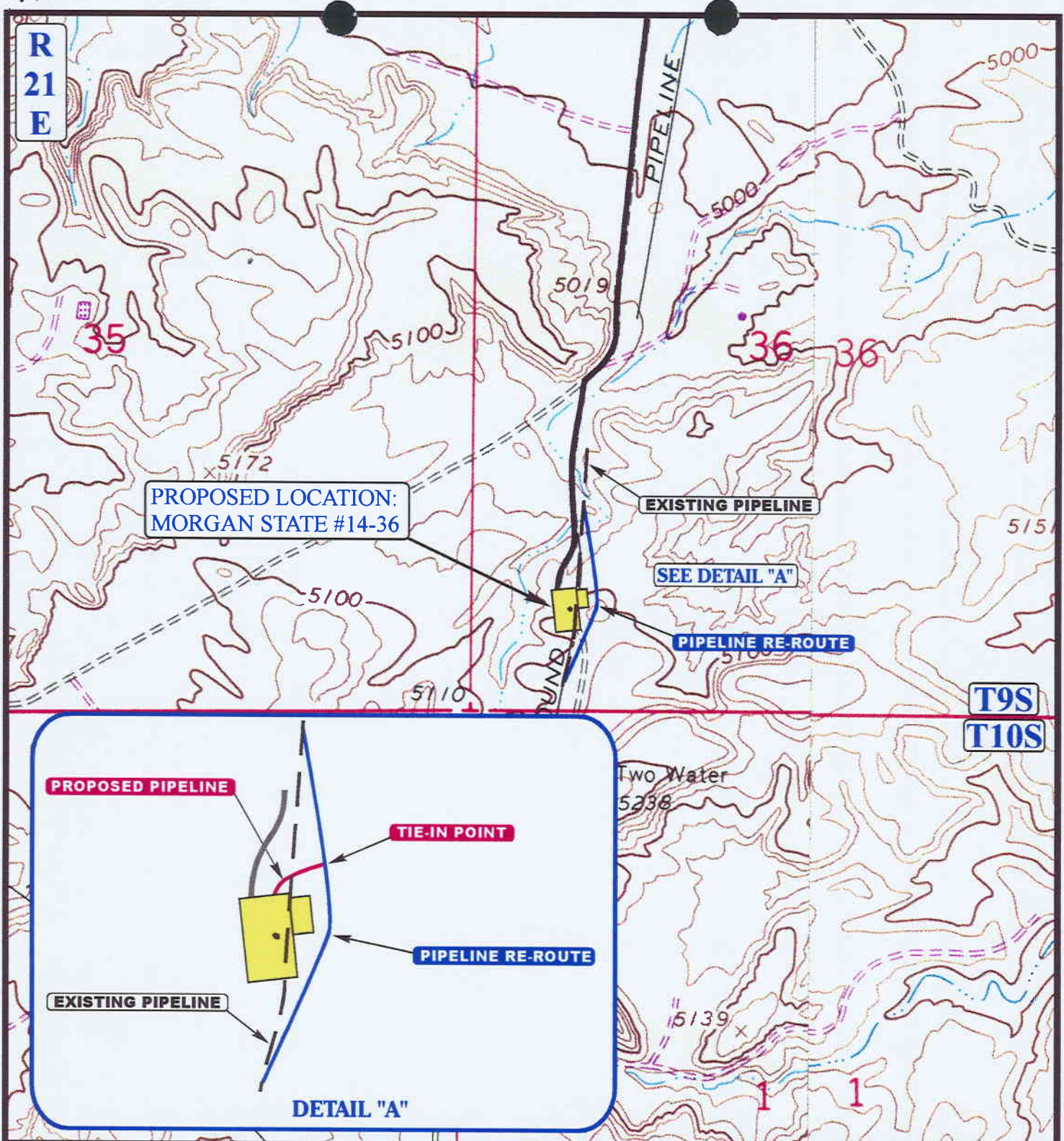
**TOPOGRAPHIC**  
**MAP**

**2 24 98**  
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.G. REVISED: 00-00-00

**C**  
**TOPO**





**APPROXIMATE TOTAL PIPELINE DISTANCE = 210' +/-**

**LEGEND:**

- EXISTING PIPELINE
- - - PROPOSED PIPELINE
- PROPOSED ACCESS

**COASTAL OIL & GAS CORP.**

**MORGAN STATE #14-36**  
**SECTION 36, T9S, R21E, S.L.B.&M.**  
**681' FSL 738' FWL**

**U E L S**  
**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC**  
**MAP**

<b>2</b>	<b>24</b>	<b>98</b>
MONTH	DAY	YEAR

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 00-00-00

**D**  
**TOPO**

WORKSHEET  
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 03/25/98

API NO. ASSIGNED: 43-047-33092

WELL NAME: MORGAN ST 14-36

OPERATOR: COASTAL OIL & GAS CORP (N0230)

PROPOSED LOCATION:

SWSW 36 - T09S - R21E

SURFACE: 0681-FSL-0738-FWL

BOTTOM: 0681-FSL-0738-FWL

UINTAH COUNTY

NATURAL BUTTES FIELD (630)

INSPECT LOCATION BY: 04/25/98

TECH REVIEW	Initials	Date
Engineering	psk	4-22-98
Geology		
Surface		

LEASE TYPE: STA

LEASE NUMBER: ML-22265

PROPOSED PRODUCING FORMATION: MVRD

RECEIVED AND/OR REVIEWED:

☒ Plat  
☒ Bond: Federal[] State[] Fee[]  
(Number 10 21 03)  
☒ Potash (Y/N)  
☒ Oil shale (Y/N)  
☒ Water permit  
(Number 43-8496 / #53617)  
☒ RDCC Review (Y/N)  
(Date: )

LOCATION AND SITING:

\_\_\_ R649-2-3. Unit: \_\_\_  
☒ R649-3-2. General.  
\_\_\_ R649-3-3. Exception.  
\_\_\_ Drilling Unit.  
Board Cause no: \_\_\_  
Date: \_\_\_

COMMENTS:

Surface / State  
Oil Shale - Cause No. 190-5(B)

STIPULATIONS: ① STATEMENT OF BASIS

② OIL SHALE "4 1/2"



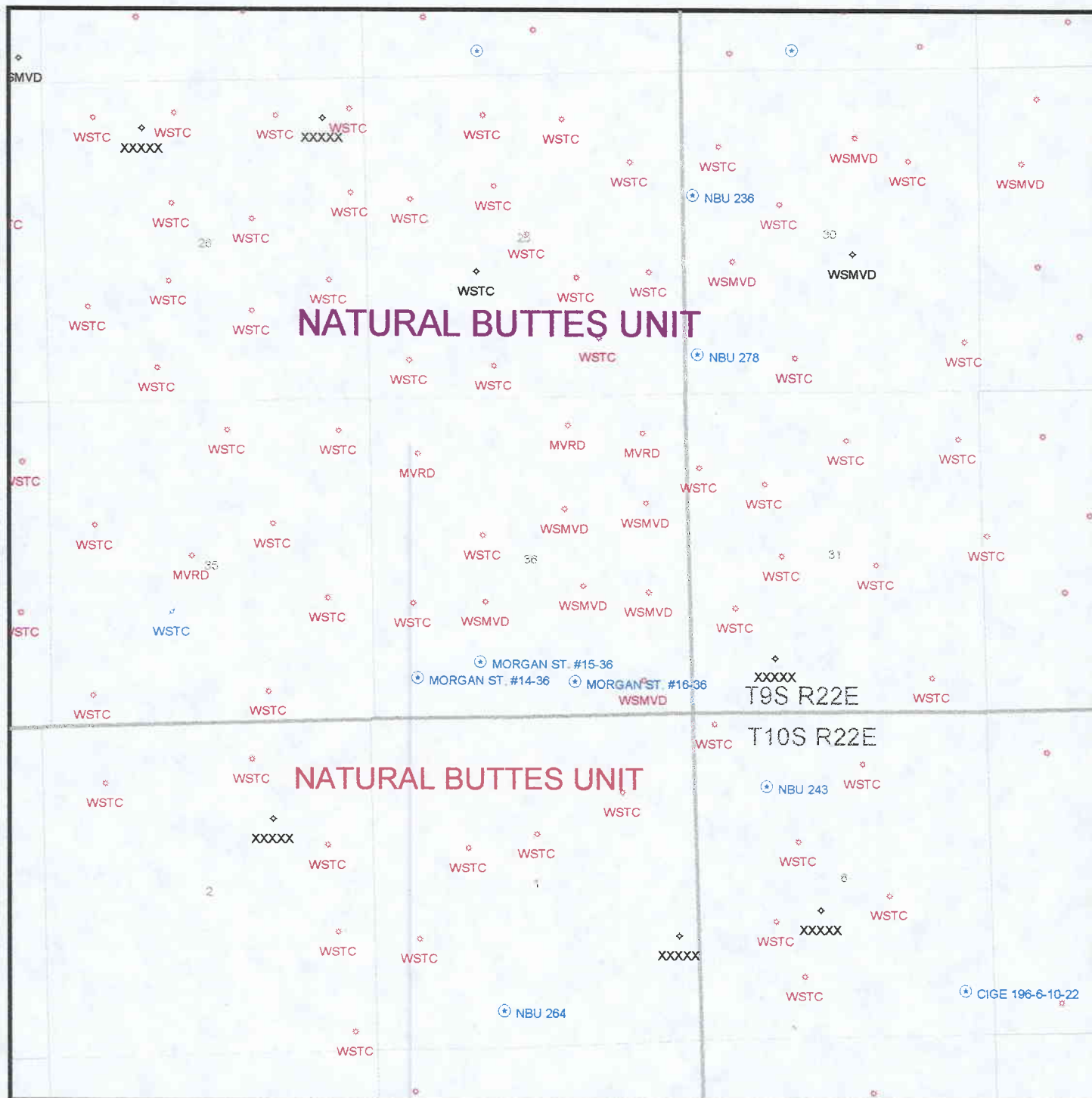
DIVISION OF OIL, GAS & MINING

OPERATOR: COASTAL OIL & GAS (N0230)

FIELD: NATURAL BUTTES (630)

SEC. 36, TWP. 9S, RNG. 21E,

COUNTY: UINTAH UAC: R649-2-3 NATURAL BUTTES UNIT



DATE PREPARED:  
26-MAR-1998



ON-SITE PREDRILL EVALUATION

Division of Oil, Gas and Mining

OPERATOR: COASTAL OIL & GAS CORP.  
WELL NAME & NUMBER: MORGAN STATE 14-36  
API NUMBER: 43-047-33092  
LEASE: ML-22265 FIELD/UNIT: NATURAL BUTTES FIELD.  
LOCATION: 1/4, 1/4 SW/SW Sec: 36 TWP: 9S RNG: 21E 681' FSL 738' FWL  
LEGAL WELL SITING: 681' F SEC. LINE; 592' F 1/4, 1/4 LINE; \_\_\_\_\_ F ANOTHER WELL.  
GPS COORD (UTM) NO READING  
SURFACE OWNER: STATE OF UTAH

PARTICIPANTS

CARROLL ESTES, BONNIE CARSON, CARROLL WILSON (COGC), ROBERT KAY (UELS),  
HARLEY JACKSON (JACKSON CONST.), JOHN FAUSETT, ALAN JUSTICE (DIRT  
CONTRACTORS), DAVID HACKFORD (DOGM).

REGIONAL/LOCAL SETTING & TOPOGRAPHY

SITE IS LOCATED IN AN AREA THAT IS ROLLING AND BROKEN. THE SITE IS ON  
TOP OF A NORTH TO SOUTH TRENDING RIDGE.

SURFACE USE PLAN

CURRENT SURFACE USE: LIVESTOCK AND WILDLIFE GRAZING.

PROPOSED SURFACE DISTURBANCE: LOCATION WILL BE 325' X 245'  
NO NEW ACCESS ROAD WILL BE NECESSARY.

LOCATION OF EXISTING WELLS WITHIN A 1 MILE RADIUS: 30 PRODUCING GAS  
WELLS.

LOCATION OF PRODUCTION FACILITIES AND PIPELINES: \_\_\_\_\_  
ALL PRODUCTION FACILITIES WILL BE ON LOCATION AND ADDED AFTER  
DRILLING WELL. PROPOSED HIGH PRESSURE PIPELINE WILL TIE INTO EXISTING  
PIPELINE ADJACENT TO SITE. LOW PRESSURE LINE WILL RUN PARALLEL TO  
HIGH PRESSURE LINE.

SOURCE OF CONSTRUCTION MATERIAL: ALL CONSTRUCTION MATERIAL WILL BE  
BORROWED FROM THIS SITE DURING CONSTRUCTION AND IS NATIVE.

ANCILLARY FACILITIES: NONE WILL BE REQUIRED.

WASTE MANAGEMENT PLAN:

DRILLED CUTTINGS WILL BE SETTLED INTO RESERVE PIT. LIQUIDS FROM PIT  
WILL BE ALLOWED TO EVAPORATE. FORMATION WATER WILL BE CONFINED TO  
STORAGE TANKS. SEWAGE FACILITIES, STORAGE AND DISPOSAL WILL BE

HANDLED BY COMMERCIAL CONTRACTOR. TRASH WILL BE CONTAINED IN TRASH BASKETS AND HAULED TO AN APPROVED LAND FILL.

ENVIRONMENTAL PARAMETERS

AFFECTED FLOODPLAINS AND/OR WETLANDS: NONE

FLORA/FAUNA: GREASEWOOD, NATIVE GRASSES, SALTBRUSH, PRICKLY PEAR, RABBITBRUSH, SAGEBRUSH: PRONGHORN, RODENTS, COYOTES, BIRDS.

SOIL TYPE AND CHARACTERISTICS: LIGHT BROWN SANDY CLAY.

SURFACE FORMATION & CHARACTERISTICS: LOCAL BEDROCK IS PREDOMINANTLY UPPER EOCENE SANDSTONE, SILTSTONE AND MARLSTONE OF THE DUCHESNE RIVER AND UINTA FORMATIONS.

EROSION/SEDIMENTATION/STABILITY: MINOR EROSION, MINOR SEDIMENTATION, NO STABILITY PROBLEMS ANTICIPATED.

PALEONTOLOGICAL POTENTIAL: NONE OBSERVED.

RESERVE PIT

CHARACTERISTICS: 100' BY 100' AND 10' DEEP.

LINER REQUIREMENTS (Site Ranking Form attached): NO LINER WILL BE REQUIRED.

SURFACE RESTORATION/RECLAMATION PLAN

AS PER STATE OF UTAH, TRUST LANDS.

SURFACE AGREEMENT: STATE OF UTAH, TRUST LANDS.

CULTURAL RESOURCES/ARCHAEOLOGY: AN ARCHAEOLOGICAL CLEARANCE FOR THIS SECTION WAS OBTAINED FROM MR. JIM COOPER, UTAH STATE TRUST LANDS.

OTHER OBSERVATIONS/COMMENTS

INVESTIGATION WAS DONE ON A WARM DAY WITH NO SNOW COVER.  
SITE IS APPROX. 100' FROM AN ABANDONED WATER WELL.

ATTACHMENTS:

PHOTOS OF PROPOSED SITE WILL BE PLACED ON FILE.

DAVID W. HACKFORD  
DOGM REPRESENTATIVE

4/7/98      9:45 AM  
DATE/TIME



**Evaluation Ranking Criteria and Ranking Score  
For Reserve and Onsite Pit Liner Requirements**

<u>Site-Specific Factors</u>	<u>Ranking</u>	<u>Site Ranking</u>
Distance to Groundwater (feet)		
>200	0	
100 to 200	5	
75 to 100	10	
25 to 75	15	
<25 or recharge area	20	<u>0</u>
Distance to Surf. Water (feet)		
>1000	0	
300 to 1000	2	
200 to 300	10	
100 to 200	15	
< 100	20	<u>0</u>
Distance to Nearest Municipal Well (feet)		
>5280	0	
1320 to 5280	5	
500 to 1320	10	
<500	15	<u>0</u>
Distance to Other Wells (feet)		
>1320	0	
300 to 1320	10	
<300	20	<u>0</u>
Native Soil Type		
Low permeability	0	
Mod. permeability	10	
High permeability	20	<u>10</u>
Fluid Type		
Air/mist	0	
Fresh Water	5	
TDS >5000 and <10000	15	
TDS >10000 or Oil Base	20	
Mud Fluid containing high levels of hazardous constituents		<u>5</u>
Drill Cuttings		
Normal Rock	0	
Salt or detrimental	10	<u>0</u>
Annual Precipitation (inches)		
<10	0	
10 to 20	5	
>20	10	<u>0</u>
Affected Populations		
<10	0	
10 to 30	6	
30 to 50	8	
>50	10	<u>0</u>
Presence of Nearby Utility		
Conduits		
Not Present	0	
Unknown	10	
Present	15	<u>0</u>
<b>Final Score (Level III Sensitivity)</b>		<u>15</u>

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

### SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4476

4. Location of Well

Footages: 681' FSL & 738' FWL

QQ, Sec., T., R., M.: Lot 4 (SW/SW), Section 36-T9S-R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

NA 4304733092

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

### 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

#### NOTICE OF INTENT (Submit in Duplicate)

- |  |  |
|--|--|
| <input type="checkbox"/> Abandon                             | <input checked="" type="checkbox"/> New Construction |
| <input type="checkbox"/> Repair Casing                       | <input type="checkbox"/> Pull or Alter Casing        |
| <input type="checkbox"/> Change of Plans                     | <input type="checkbox"/> Recomplete                  |
| <input type="checkbox"/> Convert to Injection                | <input type="checkbox"/> Perforate                   |
| <input type="checkbox"/> Fracture Treat or Acidize           | <input type="checkbox"/> Vent or Flare               |
| <input type="checkbox"/> Multiple Completion                 | <input type="checkbox"/> Water Shut-Off              |
| <input checked="" type="checkbox"/> Other Construct pipeline |  |

Approximate date work will start Upon approval

#### SUBSEQUENT REPORT (Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other                     |   |

Date of work completion

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The operator requests approval to construct an additional pipeline to service the referenced location. In order to sufficiently produce the proposed well, a low pressure pipeline will be constructed in parallel to the existing high pressure pipeline, leaving the location in a northerly direction to tie into an existing pipeline at the Morgan State 4-36 location. A pre-site inspection was held on April 7, 1998, with Dave Hackford present to inspect the proposed pipeline route.

A copy of this sundry was sent to the Utah School Trust Lands Administration.

13. Name & Signature Bonnie Carson Title Senior Environmental Analyst

Date 4/15/98

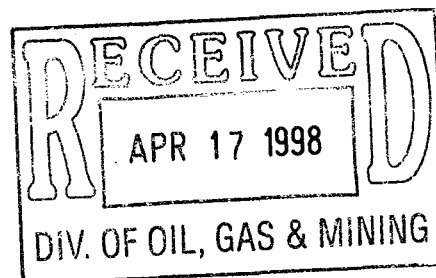
(This space for State use only)

**Accepted by the  
Utah Division of  
Oil, Gas and Mining**

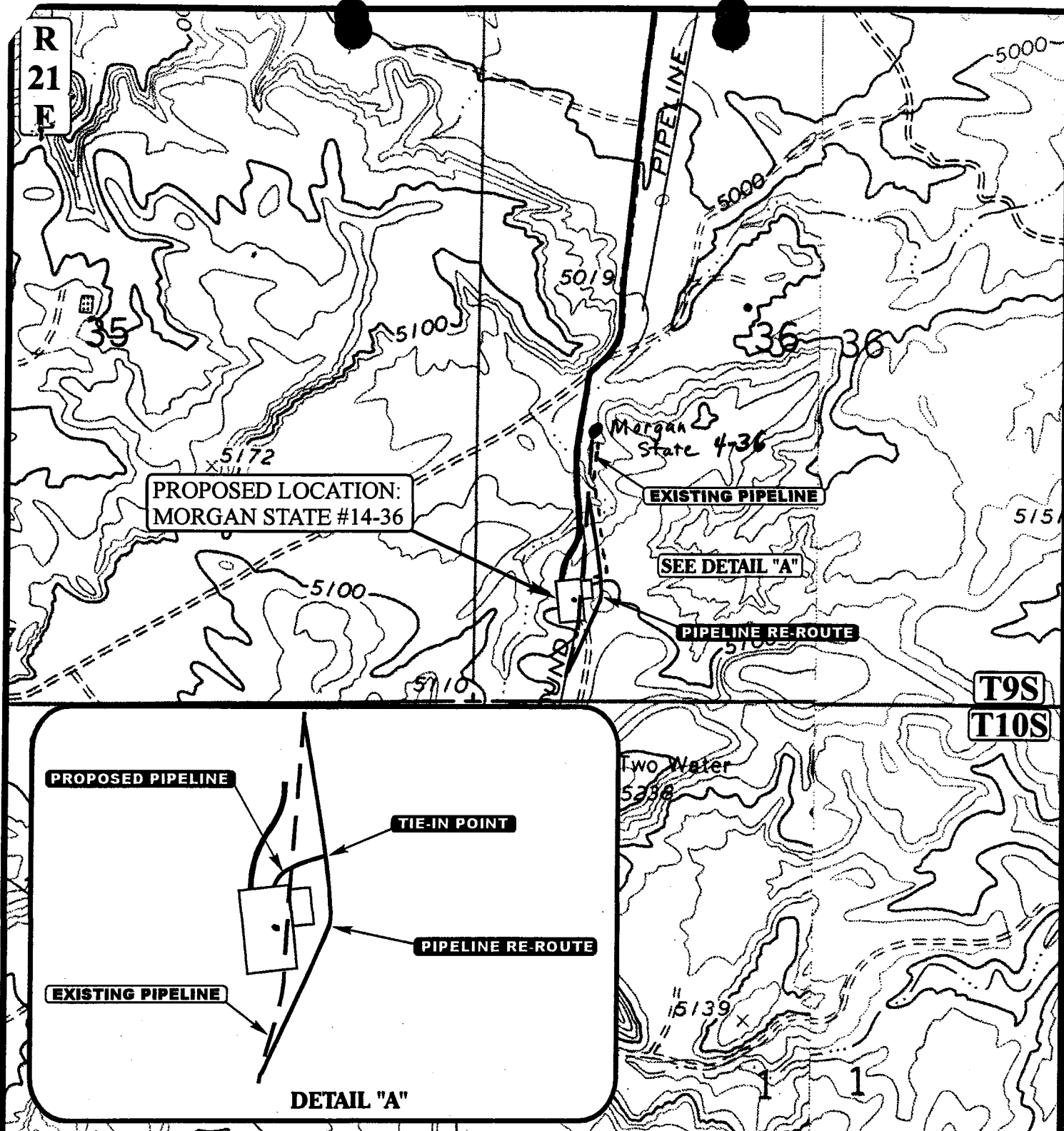
(5/94)

**FOR RECORD ONLY**

(See Instructions on Reverse Side)



R  
21  
E



APPROXIMATE TOTAL PIPELINE DISTANCE = 210' +/-

**LEGEND:**

- EXISTING PIPELINE
- ... PROPOSED PIPELINE
- PROPOSED ACCESS



**COASTAL OIL & GAS CORP.**

**MORGAN STATE #14-36**  
**SECTION 36, T9S, R21E, S.L.B.&M.**  
**681' FSL 738' FWL**



**Uintah Engineering & Land Surveying**  
85 South 200 East Vernal, Utah 84078  
(435) 789-1017 \* FAX (435) 789-1813

**TOPOGRAPHIC**  
**MAP**

**2 24 98**  
MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 00-00-00

**D**  
**TOPO**

**DIVISION OF OIL, GAS AND MINING**  
**APPLICATION FOR PERMIT TO DRILL**  
**STATEMENT OF BASIS**

**Operator Name:** COASTAL OIL & GAS CORP.

**Name & Number:** MORGAN STATE 14-36

**API Number:** 43-047-33092

**Location:** 1/4, 1/4 SW/SW Sec. 36 T. 9S R. 21E

**Engineering:**

This area has potential for H<sub>2</sub>S and a contingency plan should be filed. Casing should be changed to grade N-80. Additional information is needed on cement specs and volumes.

**Reviewer:** Robert Krueger

**Date:** 4/23/98

**Geology/Ground Water:**

The base of moderately saline water is at approximately 3000 feet in this area (Technical Publication # 92). The base of the moderately saline water is probably in the lower Green River Formation. This location is in a designated oil shale area. Fresh water zones may be encountered in sands throughout the Uinta Formation. These zones are generally discontinuous, low yielding and not subject to direct recharge. The proposed surface casing should adequately protect these zones. The proposed cement program for the production casing should adequately protect and isolate any productive zones from fresh water zones above.

**Reviewer:** Brad Hill

**Date:** 4/27/98

**Surface:**

The pre-site investigation of the surface was performed by field personnel on 4/7/98. Jack Lytle with D.W.R. and Ed Bonner with State Lands were notified of pre-site on 3/31/98. Neither attended. Existing 12" pipeline and access road will be re-routed to accommodate location construction. An abandoned water well is approx. 135' west of the proposed well bore.

**Reviewer:** DAVID W. HACKFORD

**Date:** 4/14/98

**Conditions of Approval/Application for Permit to Drill:**

1. Reserve pit shall be constructed east of wellbore.
2. Existing 12" pipeline will be re-routed to the east.
3. Existing access road will be re-routed to the west.
4. An H<sub>2</sub>S Contingency Plan shall be filed with the Division prior to spudding and on-location personnel shall be trained as required to ensure safe operations.
5. Details of the cement program including volume estimates and manufacturer's/suppliers specifications shall be submitted to the Division prior to spudding.
6. Production casing shall be API Grade N-80.



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt  
Governor  
Ted Stewart  
Executive Director  
Lowell P. Braxton  
Division Director

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
801-538-5340  
801-359-3940 (Fax)  
801-538-7223 (TDD)

April 30, 1998

Coastal Oil & Gas Corporation  
P.O. Box 749  
Denver, Colorado 80201-0749

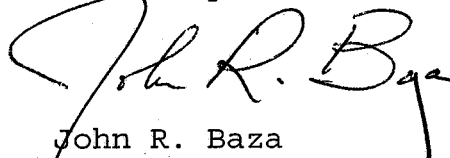
Re: Morgan State 14-36 Well, 681' FSL, 738' FWL, SW SW, Sec. 36,  
T. 9 S., R. 21 E., Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-33092.

Sincerely,

  
John R. Baza  
Associate Director

lwp

Enclosures

cc: Uintah County Assessor  
Bureau of Land Management, Vernal District Office

Operator: Coastal Oil & Gas Corporation  
Well Name & Number: Morgan State 14-36  
API Number: 43-047-33092  
Lease: ML-22265  
Location: SW SW Sec. 36 T. 9 S. R. 21 E.

### Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jim Thompson at (801) 538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact Dan Jarvis at (801) 538-5338 or Robert Krueger at (801) 538-5274.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

5. In accordance with the Order in Cause No. 190-5(b) dated October 28, 1982, the operator shall comply with the requirements of Rule R649-3-31 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the 4½" casing is cemented over the entire oil shale section as defined by Rule R649-3-31.

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 749, Denver, CO 80201-0749

(303) 573-4455

4. Location of Well

Footages: 681' FSL & 738' FWL

QQ, Sec., T., R., M.: Lot 4 (SW/SW), Section 36-T9S-R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**NOTICE OF INTENT**  
(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other _____    | APD Extension                                 |

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Date of work completion \_\_\_\_\_

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

The APD for the subject well was approved 4/30/98. Operator requests that the APD be extended for an additional year so that drilling may be completed.

13.

Name & Signature

*Sheila Bremer*

Sheila Bremer

Title Environmental & Safety Analyst

Date 2/2/99

(This space for State use only)

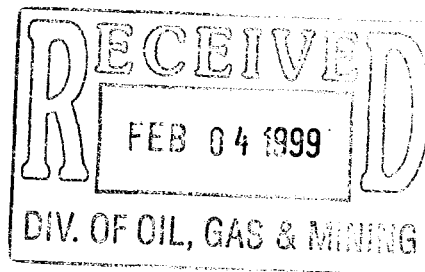
Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 2/18/99

By: *[Signature]*

COPY SENT TO OPERATOR  
Date: 2-11-99  
Initials: CMP

(See Instructions on Reverse Side)



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

### SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435)-781-7023

4. Location of Well

Footages: 681' FSL & 738' FWL

County: Uintah

QQ, Sec., T., R., M.: Lot 4 (SW/SW), Section 36, T9S, R21E

State: Utah

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes Field

### 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

#### NOTICE OF INTENT (Submit in Duplicate)

- |   |   |
|---|---|
| <input type="checkbox"/> Abandon                                      | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing                                | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans                              | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection                         | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Fracture Treat or Acidize                    | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion                          | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other <u>APD 1 Year Extension</u> |   |

Approximate date work will start Immediate

#### SUBSEQUENT REPORT (Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Date of work completion \_\_\_\_\_

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Coastal Oil & Gas Corporation requests authorization for an one year extension on the above referenced well.

Approved by the  
Utah Division of  
Oil, Gas and Mining

Date: 2/2/00

By: [Signature]

COPY SENT TO OPERATOR

Date: 2/3/00

Initials: CHS

**RECEIVED**

JAN 31 2000

DIVISION OF  
OIL, GAS AND MINING

13.

Name & Signature

Sheila Upchego

Title Environmental Jr. Analyst

Date 1/27/00

(This space for State use only)



ENTITY ACTION FORM - FORM 6

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
B	99999	2900	43-047-33092	Morgan State #14-36	SW/SW	36	9S	21E	Uintah	9/6/00	9/6/00
WELL 1 COMMENTS: <i>No Code.</i>											
<i>9-13-00</i>											
WELL 2 COMMENTS:											
WELL 3 COMMENTS:											
WELL 4 COMMENTS:											
WELL 5 COMMENTS:											

ACTION CODES (See instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

*[Signature]*  
Signature  
Jr. Regulatory Analyst 9/12/00  
Title Date  
Phone No. 435 781-7022

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells.  
Use APPLICATION FOR PERMIT TO DRILL OR DEEPEN form for such purposes

1. Type of Well: OIL ☐ GAS ☒ OTHER:

2. Name of Operator

Coastal Oil & Gas Corporation

3. Address and Telephone Number.

P.O. Box 1148, Vernal UT 84078

(435) 781-7023

4. Location of Well

Footages: 681' FSL & 738' FWL

QQ, Sec., T., R., M.: SW/SW Lot 4, Sec. 36, T9S, R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes

County: Uintah

State: UT

11. **CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

**NOTICE OF INTENT**  
(Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Recomplete           |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
| <input type="checkbox"/> Repair Casing             | <input type="checkbox"/> Pull or Alter Casing |
| <input type="checkbox"/> Change of Plans           | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other _____    | Spud  |

Date of work completion \_\_\_\_\_

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

MIRU Bill Martin Drilling (Air Rig) and drilled 267' of 12 1/4" hole. Ran 252' of 8 5/8" 24# K-55 Csg. Cmt w/140 sks P-AG w/2% CaCl<sub>2</sub>, 1/4#sk/Floccle, 15.6 ppg, 1.18 yield. Dropped plug. Displace w/13.3 Bbls H<sub>2</sub>O. Good returns. Hole stayed full.

Spud @ 1:30 p.m. on 9/6/00.

**RECEIVED**

**SEP 18 2000**

**DIVISION OF  
OIL, GAS AND MINING**

13.

Name & Signature

Katy Dow

Title Jr. Regulatory Analyst

Date 9/12/00

(This space for State use only)

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

### SUNDRY NOTICES AND REPORTS ON WELLS

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(435)-781-7023

4. Location of Well

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QQ, Sec., T., R., M.: Lot 4 Section 36-T9S-R21E

5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State  
#14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes Field

County: Uintah

State: Utah

#### 11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

##### NOTICE OF INTENT (Submit in Duplicate)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon                   | <input type="checkbox"/> New Construction     |
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| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Perforate            |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

##### SUBSEQUENT REPORT (Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
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| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other _____    | Pipeline Construction                         |

Date of work completion \_\_\_\_\_

Report results of **Multiple Completions** and **Recompletions** to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

\* Must be accompanied by a cement verification report.

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Please see the attached Topo "D" for the completed pipeline construction for the subject well.

**RECEIVED**

SEP 25 2000

DIVISION OF  
OIL, GAS AND MINING

13.

Name & Signature

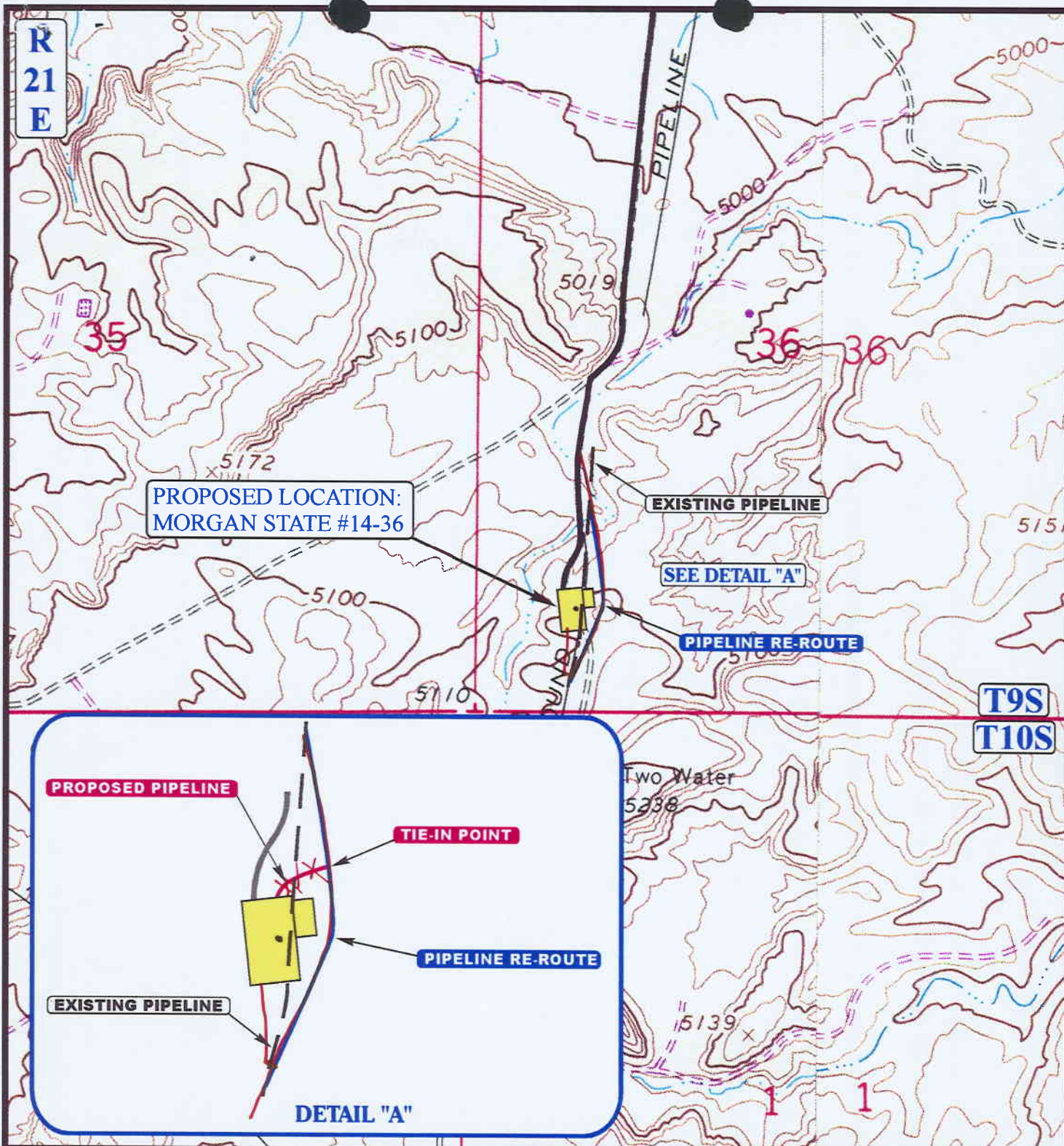
*[Signature]*

Title Cheryl Cameron

Sr. Regulatory Analyst

Date 9/21/00

(This space for State use only)



**APPROXIMATE TOTAL PIPELINE DISTANCE = 210' +/-**

**LEGEND:**

- — — — — EXISTING PIPELINE
- - - - - PROPOSED PIPELINE
- — — — — PROPOSED ACCESS

**COASTAL OIL & GAS CORP.**

**MORGAN STATE #14-36**  
**SECTION 36, T9S, R21E, S.L.B.&M.**  
**681' FSL 738' FWL**



**Uintah Engineering & Land Surveying**  
 85 South 200 East Vernal, Utah 84078  
 (435) 789-1017 \* FAX (435) 789-1813



**TOPOGRAPHIC**  
**MAP**

**2 24 98**  
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.G. REVISED: 00-00-00

**D**  
**TOPO**

STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes

County: Uintah

State: UT

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(Submit in Duplicate)

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| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- |  |   |
|--|---|
| <input type="checkbox"/> Abandon*                  | <input type="checkbox"/> New Construction     |
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| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other _____    | Drilling Summary                              |

Date of work completion 10/1/00

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Finished drilling from 252' to 7,222' and ran 4500' of 4 1/2" 11.6# J-55 LT&C 8RD Csg. Cmt w/456 sks HiLift Lead w/adds, 11.3 ppg, 3.81 yield. Tail w/1000 sks of 50/50 Poz w/adds, 14.3 ppg, 1.27 yield. Displace w/111 Bbls H2O. Bumped plug. Floats held. Mo Cmt to surface. Clean mud pits. Rig released @ 2:00 p.m. on 10/1/00.

**RECEIVED**

OCT 16 2000

DIVISION OF  
OIL, GAS AND MINING

13. Name & Signature *Cheryl Cameron* Title Sr. Regulatory Analyst

Date 10/3/00

(This space for State use only)

**RECEIVED**

OCT 16 2000

DIVISION OF  
OIL, GAS AND MINING



STATE OF UTAH  
DIVISION OF OIL, GAS AND MINING

**SUNDRY NOTICES AND REPORTS ON WELLS**

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5. Lease Designation and Serial Number

ML-22265

6. Indian, Allottee or Tribe Name:

N/A

7. Unit Agreement Name:

N/A

8. Well Name and Number:

Morgan State #14-36

9. API Well Number:

43-047-33092

10. Field and Pool, or Wildcat

Natural Buttes

County: Uintah

State: UT

**11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA**

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|--|---|
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| <input type="checkbox"/> Multiple Completion       | <input type="checkbox"/> Water Shut-Off       |
| <input type="checkbox"/> Other _____               |   |

Approximate date work will start \_\_\_\_\_

**SUBSEQUENT REPORT**  
(Submit Original Form Only)

- |  |   |
|--|---|
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| <input type="checkbox"/> Convert to Injection      | <input type="checkbox"/> Vent or Flare        |
| <input type="checkbox"/> Fracture Treat or Acidize | <input type="checkbox"/> Water Shut-Off       |
| <input checked="" type="checkbox"/> Other _____    | Completion Report                             |

Date of work completion 10/13/00

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION REPORT AND LOG form.

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12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Subject well placed on production on 10/13/00. Please refer to the attached Chronological Well History. The production water for the subject well is contained in the production tank and then trucked to one of the following pre-approved disposal sites:

RNI, Sec. 5, T9S, R22E

NBU #159, Sec. 35, T9S, R21E

Ace Oilfield, Sec. 2, T6S, R20E

MC & MC, Sec. 12, T6S, R19E

13. Cheryl Cameron

Name & Signature

Title

Sr. Regulatory Analyst

Date 11/2/00

(This space for State use only)

RECEIVED

NOV 06 2000

DIVISION OF  
OIL, GAS AND MINING

THE COASTAL CORPORATION  
PRODUCTION REPORT

CHRONOLOGICAL HISTORY

Page 1

MORGAN STATE # 14-36

LOC

NATURAL BUTTES FIELD

UINTAH COUNTY, UT

WI:

PBTD: 7174' PERFS: 7106'-5132'

CSG: 4.5" X 11.6# @ 7220'

SPUD DATE:

DRILL & COMPLETE, AFE: 27991

FORMATION: 0

CWC(M\$):

10/06/00 PREP TO RUN CBL.  
PROG: MIRU. RIH W/ TBG TO PBTD @ 7174'. CIRC HOLE W/ 2% KCL.

10/07/00 PREP TO FRAC 10/11/00.  
PROG: PICKLE TBG W/ 3 BBLS 15% HCL. SPOT 300 GALS ACROSS PERF INTERVAL 6646' - 7106'.  
RUN CBL/CCL/GR F/ 7173' TO 4000' & 2400' TO 2000'. PERF WASATCH 7101' - 7106', 4 SPF, 20 HOLES.  
0 PRESS. BRK PERFS @ 2800# @ 3.5 BPM - ISIP: 1600#.

10/08-9/00 SI WO FRAC.

10/10/00 SI WO FRAC (TENTATIVELY SCHEDULED FOR 10/11/00).

10/11/00 SI WO FRAC THIS AM (10/11/00).

10/12/00 PREP TO DO CBP'S.  
PROG: STAGE 1: BRK DN PERFS 7101' 06' W/ 2900# @ 2 BPM - ISIP: 1800#, FG: 0.68. FRAC W/ 33,000#  
20/40 SD W PROP NET IN LAST 10% SD & 415 BBLS YF115ST LIQUID/GEL. MTP: 3799#, ATP: 3059#,  
MTR: 26 BPM, ATR: 20.7 BPM, ISIP: 2893#, FG: 0.84, NET PRESS INCR: 1093#. RIH W/ CBP & PERF GUN.  
SET CBP @ 7050'.  
STAGE 2: PERF WASATCH 6991' - 6999', 4 SPF, 32 HOLES & 6974' - 6976', 4 SPF, 8 HOLES, 0 PRESS.  
UNABLE TO BRK DN PERFS W/ 5000#. RIH W/ BAILER & 8 GALS HCL. MISFIRE ON BAILER. POOH  
BRK DN PERFS @ 4790# @ 1/2 BPM - ISIP: 1167#, FG: 0.60. FRAC W/ 50,000# 20/40 SD W/ PROP NET  
IN LAST 10% SD. MTP: 3786#, ATP: 2700#, MTR: 35.9 BPM, ATR: 27.6 BPM, ISIP: 2138#, FG: 0.74, NET  
PRESS INCR: 971#. RIH W/ CBP & PERF GUN. SET CBP @ 6920'.  
STAGE 3: PERF WASATCH 5624' - 5634', 4 SPF, 40 HOLES. BRK DN PERFS W/ 980# @ 3 BPM - ISIP:  
325#, FG: 0.49. DECIDE TO BY PASS ZONE DUE TO DEPLETION. RIH W/ CBP & PERF GUN.  
SET CBP @ 5570'.  
STAGE 4: PERF WASATCH 5224' - 5234', 4 SPF, 40 HOLES, 0 PRESS. BRK DN W/ 1353# @ 2 BPM - ISIP:  
710#, FG: 0.57. FRAC W/ 46,500# 20/40 SD W/ PROP NET IN LAST 10% SD & 517 BBLS YF115ST  
LIQUID/GEL. MTP: 2683#, ATP: 2162#, MTR: 28.2 BPM, ATR: 21.9 BPM, ISIP: 1968#, FG: 0.81, NET PRESS  
INCR: 1258#. RIH W/ CBP & PERF GUN. SET CBP @ 5180'.  
STAGE 5: PERF WASATCH 5143' - 5149', 4 SPF, 24 HOLES & 5132' - 5136', 4 SPF, 16 HOLES. BRK DN W/  
2316# @ 3 BPM - ISIP: 645#, FG: 0.56. FRAC W/ 52,000# 2/40 SD W/ PROP NET LAST 10% SD & 544  
BBLS YF115ST LIQUID/GEL. MTR: 2710#, ATP: 2214#, MTR: 35.2 BPM, ATR: 31.3 BPM, ISIP: 1694#, FG:  
0.76, NET PRESS INCR: 1049#. RIH W/ CBP & SET @ 5070'. RIH W/ 3 7/8" MILL TOOTH BIT & PMP  
OFF SUB. EOT @ 1300'.

10/13/00 FLWG BACK LOAD.  
PROG: RI & TAG CBP @ 5070'. DO CBP'S @ 5070', 5180', 5570', 6920', & 7050'. RIH & TAG SD @ 7100'.  
CO TO PBTD @ 7174'. PU & LAND TBG @ 7097', SN @ 7062'. FLW BACK WELL 10 HRS. CK:  
48/64" - 24/64", FTP: 150# TO 300#, CP: 200# TO 800#, 27 BWPH TO 10 BWPH, TRACE SD TO CLEAN,  
500 MCFPD, TLTR: 2424 BBLS, TLR: 681 BBLS, LLTR: 1743 BBLS.

10/14/00 PROG: TURNED TO SALES @ 3:00 PM ON 10/13/00. SPOT PRODUCTION DATA: CHK: 32/64", 10  
BWPH, FTP: 500#, CP: 1300#.

10/15/00 PROG: FLWD 1434 MCF, 150 BW, FTP: 490#, CP: 1000#, 32/64" CHK, 17 HRS, LP: 280#, LLTR: 1593 BBLS.

10/16/00 PROG: FLWD 1804 MCF, 162 BW, FTP: 410#, CP: 925#, 40/64" CHK, 24 HRS, LP: 293#, LLTR: 1431 BBLS.

10/17/00 PROG: FLWD 1648 MCF, 117 BW, FTP: 375#, CP: 850#, 40/64" CK, 24 HRS, LP: 279#, LLTR: 1314 BBLS.

IP DATE: 10/15/00 FLWG 1804 MCF, 162 BW, FTP: 410#, CP: 925#, 40/64" CK, 24 HRS, LP: 293#.  
FINAL REPORT.

RECEIVED

NOV 06 2000

DIVISION OF  
OIL, GAS AND MINING

**STATE OF UTAH**  
**DIVISION OF OIL, GAS AND MINING**

**WELL COMPLETION OR RECOMPLETION REPORT AND LOG\***

1a. TYPE OF WELL

OIL  
WELL ☐GAS  
WELL ☒DRY ☐

Other \_\_\_\_\_

1b. TYPE OF COMPLETION

NEW  
WELL ☒WORK  
OVER ☐DEEP  
EN ☐PLUG  
BACK ☐DIFF.  
RESVR. ☐

Other \_\_\_\_\_

2. NAME OF OPERATOR

Coastal Oil &amp; Gas Corporation

3. ADDRESS AND TELEPHONE NO.

P.O. Box 1148 Vernal, UT 84078 435) 781-7023

4. LOCATION OF WELL (Report locations clearly and in accordance with any State requirements)

At Surface

SW/SW 681' FSL &amp; 738' FWL

At top prod. Interval reported below

same

At total depth

same

14. API NO.

43-047-33092

DATE ISSUED

04/30/98

9. WELL NO.

14-36

10. FIELD AND POOL OR WILDCAT

Natural Buttes

11. SEC., T., R., M., OR BLOCK AND SURVEY

OR AREA

Section 36 - T9S - R21E

12. COUNTY

Uintah

13. STATE

UTAH

15. DATE SPUDDED

09/06/00

16. DATE T.D. REACHED

10/01/00

17. DATE COMPL. (Ready to prod. or Plug &amp; Seal)

10/13/00

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)\*

5110' GL

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD &amp; TVD

7222'

MD

TVD

7174'

MD

TVD

21. PLUG, BACK T.D., MD &amp; TVD

TD

22. IF MULTIPLE COMPL.,

HOW MANY

23. INTERVALS

ROTARY TOOLS

CABLE TOOLS

DRILLED BY

-----&gt;

X

24. PRODUCING INTERVAL(S), OF THIS COMPLETION--TOP, BOTTOM, NAME (MD AND TVD)

Wasatch 5132'-7106'

25. WAS DIRECTIONAL

SURVEY MADE

NO

26. TYPE ELECTRIC AND OTHER LOGS RUN

CBL, CCL, GR - 10-10-00

27. WAS WELL CORED YES ☐ NO ☒

(Submit analysis)

DRILL STEM TEST YES ☐ NO ☒

(See reverse side)

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8" K-55	24#	253'	12 1/4"	140 sx P-AG	
4 1/2" J-55	11.6#	7220'	7 7/8"	1456 sx mix	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
					2 3/8"	7066'	

31. PERFORATION RECORD (Interval, size and number)

INTERVAL	SIZE	NUMBER
7101'-7106'	3 3/8"	20
6991'-6999'	3 3/8"	32
6974'-6976'	3 3/8"	08
5224'-5234'	3 3/8"	40
5143'-5149'	3 3/8"	24
5132'-5136'	3 3/8"	16

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
7101'-7106'	33,000# 20/40 sd & 415 BBLS YF115ST
6974'-6999'	50,000# 20/40 sd & 553 BBLS YF115ST
5224'-5234'	46,500# 20/40 sd & 517 BBLS YF115ST
5132'-5149'	52,000# 20/40 sd & 544 BBLS YF115ST

33.\* PRODUCTION

DATE FIRST PRODUCTION 10/13/00		PRODUCTION METHOD (Flowing, gas lift, pumping--size and type of pump) Flowing					WELL STATUS (Producing or shut-in) Producing	
DATE OF TEST 10/15/00	HOURS TESTED 24	CHOKE SIZE 40/64"	PROD'N. FOR TEST PERIOD ----->	OIL--BBL. 0	GAS--MCF. 1804	WATER--BBL. 162		GAS-OIL RATIO
FLOW. TUBING PRESS. 410#	CASING PRESSURE 925#	CALCULATED 24-HOUR RATE ----->	OIL-BBL. 0	GAS--MCF. 1804	WATER--BBL. 162		OIL GRAVITY-API (CORR.)	

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

Sold, used for fuel

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED Cheryl Cameron  
Cheryl Cameron

TITLE

Senior Regulatory Analyst

DATE

11/20/00

See Spaces for Addition Data on Reverse Side



## INSTRUCTIONS

This form should be completed in compliance with the Utah Oil and Gas Conservation General Rules. If not filed prior to this time, all logs, tests, and directional surveys as required by Utah Rules should be attached and submitted with this report.

ITEM 18: Indicate which elevation is used as reference for depth measurements given in other spaces on this form and on any attachments. ITEMS 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s), and name(s) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.

ITEM 29: "Sacks Cement": Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.

ITEM 33: Submit a separate completion report on this form for each interval to be separately produced (see instruction for items 22 and 24 above).

37. SUMMARY OF POROUS ZONES: Show all important zones of porosity and contents thereof, cored intervals, and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries.				38. GEOLOGIC MARKERS	
Formation	Top	Bottom	Description, contents, etc.	Name	Top Meas. Depth    True Vert. Depth
				Green River Wasatch	1520' 4672'

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL ☐ GAS WELL ☐ OTHER \_\_\_\_\_

2. NAME OF OPERATOR:

El Paso Production Oil & Gas Company

3. ADDRESS OF OPERATOR:

68 South 1200 East CITY Vernal STATE Utah ZIP 84078

PHONE NUMBER:

435-789-4433

4. LOCATION OF WELL

FOOTAGES AT SURFACE:

COUNTY:

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:

STATE:

UTAH

5. LEASE DESIGNATION AND SERIAL NUMBER:

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT or CA AGREEMENT NAME:

8. WELL NAME and NUMBER:

Exhibit "A"

9. API NUMBER:

10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

TYPE OF ACTION

☐ NOTICE OF INTENT  
(Submit in Duplicate)

Approximate date work will start:

☐ SUBSEQUENT REPORT  
(Submit Original Form Only)

Date of work completion:

☐ ACIDIZE

☐ ALTER CASING

☐ CASING REPAIR

☐ CHANGE TO PREVIOUS PLANS

☐ CHANGE TUBING

☐ CHANGE WELL NAME

☐ CHANGE WELL STATUS

☐ COMMINGLE PRODUCING FORMATIONS

☐ CONVERT WELL TYPE

☐ DEEPEN

☐ FRACTURE TREAT

☐ NEW CONSTRUCTION

☐ OPERATOR CHANGE

☐ PLUG AND ABANDON

☐ PLUG BACK

☐ PRODUCTION (START/RESUME)

☐ RECLAMATION OF WELL SITE

☐ RECOMPLETE - DIFFERENT FORMATION

☐ REPERFORATE CURRENT FORMATION

☐ SIDETRACK TO REPAIR WELL

☐ TEMPORARILY ABANDON

☐ TUBING REPAIR

☐ VENT OR FLARE

☐ WATER DISPOSAL

☐ WATER SHUT-OFF

☒ OTHER: Name Change

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

As a result of the merger between The Coastal Corporation and a wholly owned subsidiary of El Paso Energy Corporation, the name of Coastal Oil & Gas Corporation has been changed to El Paso Production Oil & Gas Company effective March 9, 2001.

See Exhibit "A"

Bond # 400JU0708

Coastal Oil & Gas Corporation

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

El Paso Production Oil & Gas Company

NAME (PLEASE PRINT)

John T. Elzner

TITLE Vice President

SIGNATURE

DATE 06-15-01

(This space for State use only)

RECEIVED

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING

State of Delaware  
*Office of the Secretary of State*

---

PAGE 1

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "COASTAL OIL & GAS CORPORATION", CHANGING ITS NAME FROM "COASTAL OIL & GAS CORPORATION" TO "EL PASO PRODUCTION OIL & GAS COMPANY", FILED IN THIS OFFICE ON THE NINTH DAY OF MARCH, A.D. 2001, AT 11 O'CLOCK A.M.

RECEIVED

JUN 14 2001

DIVISION OF  
OIL, GAS AND MINING



*Harriet Smith Windsor*  
Harriet Smith Windsor, Secretary of State

0610204 8100

AUTHENTICATION: 1061007

010162788

DATE: 04-03-01

## CERTIFICATE OF AMENDMENT

OF

## CERTIFICATE OF INCORPORATION

COASTAL OIL & GAS CORPORATION (the "Company"), a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That the Board of Directors of the Company, by the unanimous written consent of its members, filed with the minutes of the Board, adopted a resolution proposing and declaring advisable the following amendment to the Certificate of Incorporation of the Company:

RESOLVED that it is deemed advisable that the Certificate of Incorporation of this Company be amended, and that said Certificate of Incorporation be so amended, by changing the Article thereof numbered "FIRST," so that, as amended, said Article shall be and read as follows:

"FIRST. The name of the corporation is El Paso Production Oil & Gas Company."

SECOND: That in lieu of a meeting and vote of stockholders, the stockholders entitled to vote have given unanimous written consent to said amendment in accordance with the provisions of Section 228 of the General Corporation Law of the State of Delaware.

THIRD: That the aforesaid amendment was duly adopted in accordance with the applicable provisions of Sections 242 and 228 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said COASTAL OIL & GAS CORPORATION has caused this certificate to be signed on its behalf by a Vice President and attested by an Assistant Secretary, this 9th day of March 2001.

COASTAL OIL &amp; GAS CORPORATION



David L. Siddall  
Vice President

Attest:

  
(Margaret E. Roark, Assistant Secretary)

RECEIVED

STATE OF DELAWARE  
SECRETARY OF STATE  
DIVISION OF CORPORATIONS  
FILED 11:00 AM 03/09/2001  
010118394 - 0610204

JUN 19 2001

DIVISION OF  
OIL, GAS AND MINING



# United States Department of the Interior

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

# RECEIVED

JUL 12 2001

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:  
3106  
UTSL-065841  
(UT-924)

JUL 10 2001

### NOTICE

El Paso Production Oil & Gas Company : Oil and Gas  
Nine Greenway Plaza :  
Houston TX 77046-0095 :

### Name Change Recognized

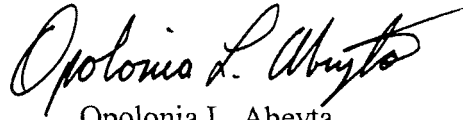
Acceptable evidence has been received in this office concerning the name change of Coastal Oil & Gas Corporation into El Paso Production Oil & Gas Company with El Paso Production Oil & Gas Company being the surviving entity.

For our purposes, the name change is recognized effective March 9, 2001.

The oil and gas lease files identified on the enclosed exhibit have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Coastal Oil & Gas Corporation to El Paso Production Oil & Gas Company. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Wyoming and Colorado.



Opolonia L. Abeyta  
Acting Chief, Branch of  
Minerals Adjudication

Enclosure

1. Exhibit of Leases (1 pp)

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
\*State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

### Exhibit of Leases

UTUSL-065841A	UTU-47172	UTU-74415	UTU-53860
UTU-28652	UTU-50687	UTU-74416	UTU-66401
UTU-37943	UTU-52298	UTU-75091	UTU-67868
UTU-44089	UTU-0109054	UTU-75096	UTU-65389
UTU-44090A	UTU-0143511	UTU-75097	UTU-77084
UTU-61263	UTU-0143512	UTU-75673	UTU-61430
UTU-00343	UTU-38401	UTU-76259	UTU-72633
UTU-02651	UTU-38411	UTU-76260	UTU-72650
UTU-02651B	UTU-38418	UTU-76261	UTU-49692
UTU-0142175	UTU-38419	UTU-76493	UTU-57894
UTU-70235	UTU-38420	UTU-76495	UTU-76829
UTU-70406	UTU-38421	UTU-76503	UTU-76830
UTU-74954	UTU-38423	UTU-78228	UTU-76831
UTU-75132	UTU-38424	UTU-78714	
UTU-75699	UTU-38425	UTU-78727	
UTU-76242	UTU-38426	UTU-78734	
UTU-78032	UTU-38427	UTU-79012	
UTU-4377	UTU-38428	UTU-79011	
UTU-4378	UTU-53861	UTU-71694	
UTU-7386	UTU-58097	UTU-00576	
UTU-8344A	UTU-64376	UTU-00647	
UTU-8345	UTU-65222	UTU-01470D	
UTU-8347	UTU-65223	UTU-0136484	
UTU-8621	UTU-66746	UTU-8344	
UTU-14646	UTU-67178	UTU-8346	
UTU-15855	UTU-67549	UTU-8648	
UTU-25880	UTU-72028	UTU-28212	
UTU-28213	UTU-72632	UTU-30289	
UTU-29535	UTU-73009	UTU-31260	
UTU-29797	UTU-73010	UTU-33433	
UTU-31736	UTU-73013	UTU-34711	
UTU-34350	UTU-73175	UTU-46699	
UTU-34705	UTU-73434	UTU-78852	
UTU-37116	UTU-73435	UTU-78853	
UTU-37355	UTU-73444	UTU-78854	
UTU-37573	UTU-73450	UTU-075939	
UTU-38261	UTU-73900	UTU-0149767	
UTU-39223	UTU-74409	UTU-2078	
UTU-40729	UTU-74410	UTU-44426	
UTU-40736	UTU-74413	UTU-49530	
UTU-42469	UTU-74414	UTU-51026	

1. GLH		4-KAS
2. CDW ✓		5-LP ✓
3. JLT		6-FILE

### Designation of Agent

## X Merger

<b>FROM:</b> (Old Operator):
COASTAL OIL & GAS CORPORATION
Address: 9 GREENWAY PLAZA STE 2721
HOUSTON, TX 77046-0995
Phone: 1-(713)-418-4635
Account N0230

<b>TO:</b> ( New Operator):
EL PASO PRODUCTION OIL & GAS COMPANY
Address: 9 GREENWAY PLAZA STE 2721 RM 2975B
HOUSTON, TX 77046-0995
Phone: 1-(832)-676-4721
Account N1845

Unit: NATURAL BUTTES-NOT IN PA

**WELL(S)**

[illegible]

## OPERATOR CHANGES DOCUMENTATION

- |    |   |                                       |
|----|---|---------------------------------------|
| 1. | (R649-8-10) Sundry or legal documentation was received from the <b>FORMER</b> operator on:                        | <u>06/19/2001</u>                     |
| 2. | (R649-8-10) Sundry or legal documentation was received from the <b>NEW</b> operator on:                           | <u>06/19/2001</u>                     |
| 3. | The new company has been checked through the <b>Department of Commerce, Division of Corporations Database</b> on: | <u>06/21/2001</u>                     |
| 4. | Is the new operator registered in the State of Utah:  | YES      Business Number: 608186-0143 |



5. If **NO**, the operator was contacted on: N/A
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the (merger, name change, or operator change for all wells listed on Federal or Indian leases on: 07/10/2001
7. **Federal and Indian Units:** The BLM or BIA has approved the successor of unit operator for wells listed on: 07/10/2001
8. **Federal and Indian Communization Agreements ("CA"):** The BLM or the BIA has approved the operator change for all wells listed involved in a CA on: N/A
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

---

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 07/18/2001
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 07/18/2001
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

---

**STATE BOND VERIFICATION:**

1. State well(s) covered by Bond No.: 400JU0705

---

**FEDERAL BOND VERIFICATION:**

1. Federal well(s) covered by Bond No.: N/A

---

**FEE WELLS - BOND VERIFICATION/LEASE INTEREST OWNER NOTIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond No: N/A
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A
3. (R649-2-10) The **FORMER** operator of the Fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: \_\_\_\_\_

---

**FILMING:**

1. All attachments to this form have been **MICROFILMED** on: \_\_\_\_\_

---

**FILING:**

1. **ORIGINALS/COPIES** of all attachments pertaining to each individual well have been filled in each well file on: \_\_\_\_\_

---

**COMMENTS: Master list of all wells involved in operator change from Coastal Oil & Gas Corporation to El Paso Production Oil and Gas Company shall be retained in the "Operator Change File".**

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JAN. 17. 2003 3:34PM

TPORT

NO. 173 P. 2

**WESTPORT OIL AND GAS COMPANY, L.P.**

410 Seventeenth Street #2300 Denver Colorado 80202-4436  
Telephone: 303 573 5404 Fax: 303 573 5609

February 1, 2002

Department of the Interior  
Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215-7093  
Attention: Ms. Martha Maxwell

RE: BLM Bond CO-1203  
BLM Nationwide Bond 158626364  
Surety - Continental Casualty Company  
Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Conversion of Westport Oil and Gas Company, Inc., into Westport Oil and Gas Company, L.P.  
Assumption Rider - Westport Oil and Gas Company, L.P.

Dear Ms. Maxwell:

Pursuant to our recent conversations, please find the following list of enclosures for the BLM's consideration and approval:

Two (2) Assumption Riders, fully executed originals.  
Copies of Belco Energy Corporation merger into Westport Oil and Gas Company, Inc.  
Copies of Westport Oil and Gas Company, Inc., conversion into Westport Oil and Gas Company, L.P.  
List of all Federal/BIA/State Leases - Belco/Westport's leases - in all states.

Please inform us of any additional information needed to complete the change to Westport Oil and Gas Company, L.P., as operator of record.

I thank you for your assistance and cooperation in this matter. Please do not hesitate contacting the undersigned, should a question arise.

Sincerely,  
Westport Oil and Gas Company, L.P.

Debby J. Black  
Engineer Technician

Encl:



# United States Department of the Interior **RECEIVED**

## BUREAU OF LAND MANAGEMENT

Utah State Office  
P.O. Box 45155  
Salt Lake City, UT 84145-0155

FEB 22 2002

DIVISION OF  
OIL, GAS AND MINING

In Reply Refer To:

3106

UTU-25566 et al

(UT-924)

FEB 21 2002

### NOTICE

Westport Oil and Gas Company L.P. : Oil and Gas  
410 Seventeenth Street, #2300 :  
Denver Colorado 80215-7093 :

#### Name Change Recognized

Acceptable evidence has been received in this office concerning the name change of Westport Oil and Gas Company, Inc. into Westport Oil and Gas Company, L.P. with Westport Oil and Gas Company, L.P. being the surviving entity.

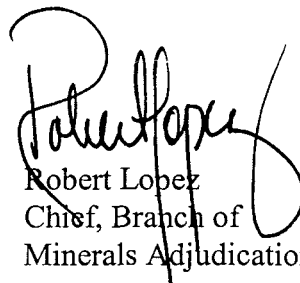
For our purposes, the name change is recognized effective December 31, 2001.

The oil and gas lease files identified have been noted as to the name change. The exhibit was compiled from a list of leases obtained from our computer program. We have not abstracted the lease files to determine if the entities affected by this name change hold an interest in the leases identified nor have we attempted to identify leases where the entities are the operator on the ground maintaining no vested recorded title or operating rights interests. We will be notifying the Minerals Management Service and all applicable Bureau of Land Management offices of the change by a copy of this notice. If additional documentation for changes of operator are required by our Field Offices, you will be contacted by them.

If you identify additional leases in which the entities maintain an interest, please contact this office and we will appropriately document those files with a copy of this Notice.

Due to the name change, the name of the principal/obligor on the bond is required to be changed from Westport Oil and Gas Company, Inc. to Westport Oil and Gas Company, L.P.. You may accomplish this either by consent of surety rider on the original bond or a rider to the original bond. The bonds are held in Colorado.

UTU-03405  
UTU-20895  
UTU-25566  
UTU-43156  
UTU-49518  
UTU-49519  
UTU-49522  
UTU-49523



Robert Lopez  
Chief, Branch of  
Minerals Adjudication

cc: Moab Field Office  
Vernal Field Office  
MMS, Reference Data Branch, MS3130, PO Box 5860, Denver CO 80217  
State of Utah, DOGM, Attn: Jim Thompson (Ste. 1210), Box 145801, SLC UT 84114  
Teresa Thompson (UT-922)  
Joe Incardine (UT-921)

# memorandum

Branch of Real Estate Services  
Uintah & Ouray Agency

Date: 5 December, 2002

Reply to  
Attn of: Supervisory Petroleum Engineer

Subject: Modification of Utah Division of Oil, Gas and Mining Regulations

To: Director, Utah Division of Oil, Gas and Mining Division: John Baza

We have been advised of changes occurring with the operation of your database for Change of Operator. You will be modifying your records to reflect Change of Operator once you have received all necessary documentation from the companies involved, and perhaps in advance of our Notice of Concurrence/Approval of Change of Operator where Indian leases are involved.

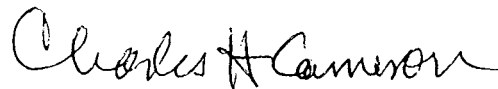
We have no objection.

With further comment to Rulemaking, I wish to comment concerning the provision of Exhibits for upcoming Hearings. I would like to see the Uintah & Ouray Agency, BIA, and the Ute Indian Tribe, Energy & Mineral Resources Department added to the list of those parties that receive advance Exhibits so as to allow us to have research time prior to Hearing dates. We will be able to provide a more informed recommendation to the Oil, Gas and Mining Board. It would be best if we would receive only those Exhibits that concern Indian lands, specifically on or adjacent to Indian lands. This may be a difficult situation to attain, as it is not always clear where 'on or adjacent' occurs.

I am aware that you have gone to extra effort to correct this matter already, and I fully appreciate it. My request is intended only to allow the addition of Uintah & Ouray Agency and Ute Indian Tribe to the official listing.

We appreciate your concern, and hope that these comments are timely enough for consideration in the revision process.

CC: Minerals & Mining Section of RES  
Ute Energy & Mineral Resources Department: Executive Director  
chrono





## United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Washington, D.C. 20240

FEB 10 2003

IN REPLY REFER TO:  
Real Estate Services

Carroll A. Wilson  
Principal Landman  
Westport Oil and Gas Company, L.P.  
1368 South 1200 East  
Vernal, Utah 84078

Dear Mr. Wilson:

This is in response to your request for approval of RLI Insurance Company's Nationwide Oil and Gas Lease Bond No. RLB0005239 executed effective December 17, 2002, (\$150,000 coverage) with Westport Oil and Gas Company, L. P., as principal.

This bond is hereby approved as of the date of this correspondence and will be retained in the Bureau of Indian Affairs' Division of Real Estate Services, 1849 C Street, NW, MS-4512-MIB, Washington, D.C. 20240. All Bureau oil and gas regional offices and the surety are being informed of this action.

In cases where you have existing individual and/or collective bonds on file with one or more of our regional offices, you may now request those offices, directly, to terminate in lieu of coverage under this Nationwide Bond.

Enclosed is a copy of the approved bond for your files. If we may be of further assistance in this matter, please advise.

Sincerely,

Director, Office of Trust Responsibilities

ACTING

Enclosure

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER:
2. NAME OF OPERATOR: El Paso Production Oil & Gas Company		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 9 Greenway Plaza Houston TX 77064-0995		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: COUNTY: QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: STATE: UTAH		8. WELL NAME and NUMBER: Exhibit "A"
PHONE NUMBER: (832) 676-5933		9. API NUMBER:
		10. FIELD AND POOL, OR WILDCAT:

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input checked="" type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

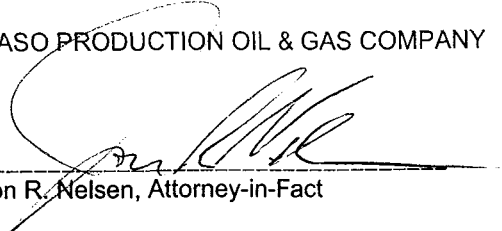
12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Operator change to Westport Oil and Gas Company, L.P., 1670 Broadway, Suite 2800, Denver, CO. 80202-4800, effective December 17, 2002.

BOND # \_\_\_\_\_

State Surety Bond No. RLB0005236  
Fee Bond No. RLB0005238

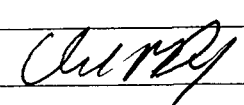
EL PASO PRODUCTION OIL & GAS COMPANY

By:   
Jon R. Nelsen, Attorney-in-Fact

RECEIVED

FEB 28 2003

DIV. OF OIL, GAS & MINING

WESTPORT OIL AND GAS COMPANY, L.P.	
NAME (PLEASE PRINT) David R. Dix	TITLE Agent and Attorney-in-Fact
SIGNATURE 	DATE 12/17/02

(This space for State use only)

Form 3160-3  
(August 1999)UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

## SUNDRY NOTICES AND REPORTS ON WELLS

*Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side**

## 1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

## 2. Name of Operator

WESTPORT OIL &amp; GAS COMPANY, L.P.

## 3a. Address

P.O. BOX 1148 VERNAL, UT 84078

## 3b. Phone No. (include area code)

(435) 781-7023

## 4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED EXHIBIT "A"

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

## 5. Lease Serial No.

SEE ATTACHED EXHIBIT "A"

## 6. If Indian, Allottee or Tribe Name

## 7. If Unit or CA/Agreement, Name and/or No.

## 8. Well Name and No.

SEE ATTACHED EXHIBIT "A"

## 9. API Well No.

SEE ATTACHED EXHIBIT "A"

## 10. Field and Pool, or Exploratory Area

## 11. County or Parish, State

UINTAH COUNTY, UT

## 12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

## TYPE OF SUBMISSION

- ☐
- Notice of Intent
- 
- ☐
- Subsequent Report
- 
- ☐
- Final Abandonment Notice

## TYPE OF ACTION

- ☐
- Acidize
- ☐
- Deepen
- ☐
- Production (Start/Resume)
- ☐
- Water Shut-Off
- 
- ☐
- Alter Casing
- ☐
- Fracture Treat
- ☐
- Reclamation
- ☐
- Well Integrity
- 
- ☐
- Casing Repair
- ☐
- New Construction
- ☐
- Recomplete
- ☒
- Other
- 
- ☐
- Change Plans
- ☐
- Plug and Abandon
- ☐
- Temporarily Abandon
- 
- ☐
- Convert to Injection
- ☐
- Plug Back
- ☐
- Water Disposal

SUCCESSOR OF  
OPERATOR

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed when testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

WESTPORT OIL & GAS COMPANY, L.P., IS CONSIDERED TO BE THE OPERATOR ON THE ATTACHED DESCRIBED LANDS AND IS RESPONSIBLE UNDER THE TERMS AND CONDITIONS OF THE LEASE FOR THE OPERATIONS CONDUCTED ON THE LEASED LANDS OR PORTIONS THEREOF, BOND COVERAGE FOR THIS WELL IS PROVIDED BY FEDERAL NATIONWIDE BOND NO. 158626364, EFFECTIVE FEBRUARY 1, 2002, AND BIA NATIONWIDE BOND NO. RLB0005239, EFFECTIVE FEBRUARY 10, 2003.

RECEIVED

MAR 04 2003

## 14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

CHERYL CAMERON

Title

OPERATIONS

Date

March 4, 2003

DIV. OF OIL, GAS &amp; MINING

## THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)



## OPERATOR CHANGE WORKSHEET

## ROUTING

1. GLH

2. CDW✓

3. FILE

**X Change of Operator (Well Sold)**

Designation of Agent/Operator

Operator Name Change

Merger

The operator of the well(s) listed below has changed, effective: **12-17-02**

<b>FROM: (Old Operator):</b>	<b>TO: (New Operator):</b>
EL PASO PRODUCTION OIL & GAS COMPANY	WESTPORT OIL & GAS COMPANY LP
Address: 9 GREENWAY PLAZA	Address: P O BOX 1148
HOUSTON, TX 77064-0995	VERNAL, UT 84078
Phone: 1-(832)-676-5933	Phone: 1-(435)-781-7023
Account No. N1845	Account No. N2115

CA No.

Unit:

## WELL(S)

NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS
MORGAN STATE 3-36	36-09S-21E	43-047-32589	12002	STATE	GW	P
MORGAN STATE 4-36	36-09S-21E	43-047-32729	12068	STATE	GW	P
MORGAN STATE 5-36	36-09S-21E	43-047-32735	12069	STATE	GW	P
MORGAN STATE 6-36	36-09S-21E	43-047-32810	12119	STATE	GW	P
MORGAN STATE 7-36	36-09S-21E	43-047-32811	12134	STATE	GW	P
MORGAN STATE 8-36	36-09S-21E	43-047-32812	12179	STATE	GW	P
MORGAN STATE 9-36	36-09S-21E	43-047-32815	12178	STATE	GW	P
MORGAN STATE 10-36	36-09S-21E	43-047-32816	12135	STATE	GW	P
MORGAN STATE 11-36	36-09S-21E	43-047-32813	12137	STATE	GW	P
MORGAN STATE 12-36	36-09S-21E	43-047-32814	12136	STATE	GW	S
MORGAN STATE 13-36	36-09S-21E	43-047-32817	12130	STATE	GW	S
MORGAN STATE 14-36	36-09S-21E	43-047-33092	13194	STATE	GW	P
MORGAN STATE 16-36	36-09S-21E	43-047-33093	12407	STATE	GW	S
MORGAN STATE 15-36	36-09S-21E	43-047-33094	12384	STATE	GW	S
UTE TRAIL 6 1 (CA CR-12)	06-09S-22E	43-047-30667	185	INDIAN	GW	P
STATE 6-56 (TRIBAL) (CA CR-12)	06-09S-22E	43-047-32699	11839	FEDERAL	GW	P
TRIBAL 6-64 (CA CR-12)	06-09S-22E	43-047-33338	12676	INDIAN	GW	P
FEDERAL 6-100 (CA CR-12)	06-09S-22E	43-047-33401	12695	FEDERAL	GW	P
HALL 6-135 (CA CR-12)	06-09S-22E	43-047-33440	12711	FEE	GW	P
HALL 6-136 (CA CR-12)	06-09S-22E	43-047-33437	12700	FEE	GW	P

## OPERATOR CHANGES DOCUMENTATION

Enter date after each listed item is completed

1. (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 02/28/2003
2. (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 03/04/2003
3. The new company has been checked through the **Department of Commerce, Division of Corporations Database** on: 03/06/2003
4. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
5. If **NO**, the operator was contacted on: \_\_\_\_\_

6. (R649-9-2)Waste Management Plan has been received on: IN PLACE

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM-12/31/2003 BIA-12/5/02

8. **Federal and Indian Units:**

The BLM or BIA has approved the successor of unit operator for wells listed on: 02/27/2003

9. **Federal and Indian Communization Agreements ("CA"):**

The BLM or BIA has approved the operator for all wells listed within a CA on: 01/09/2003

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: N/A

**DATA ENTRY:**

1. Changes entered in the **Oil and Gas Database** on: 03/27/2003
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 03/27/2003
3. Bond information entered in RBDMS on: N/A
4. Fee wells attached to bond in RBDMS on: N/A

**STATE WELL(S) BOND VERIFICATION:**

1. State well(s) covered by Bond Number: RLB 0005236

**FEDERAL WELL(S) BOND VERIFICATION:**

1. Federal well(s) covered by Bond Number: 158626364

**INDIAN WELL(S) BOND VERIFICATION:**

1. Indian well(s) covered by Bond Number: RLB 0005239

**FEE WELL(S) BOND VERIFICATION:**

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB 0005238
2. The **FORMER** operator has requested a release of liability from their bond on: N/A  
The Division sent response by letter on: N/A

**LEASE INTEREST OWNER NOTIFICATION:**

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: N/A

**COMMENTS:**

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals		6. Lease Designation and Serial Number ML-22265
		7. Indian Allottee or Tribe Name
		8. Unit or Communitization Agreement
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number MORGAN STATE #14-36
2. Name of Operator Westport Oil & Gas Company L.P.		10. API Well Number 43-047-33092
3. Address of Operator P.O. Box 1148 Vernal, Utah 84078	4. Telephone Number (435) 781-7024	11. Field and Pool, or Wildcat NATURAL BUTTES FIELD
5. Location of Well Footage : 681'FSL & 738'FWL      County : UINTAH QQ, Sec, T., R., M : LOT 4 SWSW SECTION 36-T9S-R21E      State : UTAH		
12. <b>CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		

**NOTICE OF INTENT**  
 (Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
 (Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Date of Work Completion 9/10/03

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

9/10/03: PMP 4 DRUMS OF 15% HCL ACID DWN TBG NO FLUSH

**RECEIVED**  
**SEP 22 2003**  
 DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct.

Name & Signature Sheila Upcheg  Title Regulatory Analyst Date 09/16/03  
 (State Use Only)

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT -- for such proposals		6. Lease Designation and Serial Number ML-22265
		7. Indian Allottee or Tribe Name
		8. Unit or Communitization Agreement
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number MORGAN STATE 14-36
2. Name of Operator WESTPORT OIL & GAS COMPANY, L.P.		10. API Well Number 43-047-33092
3. Address of Operator P.O. BOX 1148, VERNAL, UTAH 84078	4. Telephone Number (435)781-7060	11. Field and Pool, or Wildcat NATURAL BUTTES FIELD
5. Location of Well Footage : 681' FSL 738' FWL     County : UINTAH QQ, Sec, T., R., M : LOT 4 SWSW SEC 36-T9S-R21E     State : UTAH		
<b>12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		

**NOTICE OF INTENT**  
 (Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
 (Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input checked="" type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other <u>TBG</u>	

Date of Work Completion 10/6/03

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

10/3/03- POOH W/ 221 JTS 2 3/8" TBG. FOUND BTM 4 JTS PLUGGED W/ BS & SCALE. FOUND 2 PLUNGERS & BMP SPRING SCALED INTO SN. PU NEW MULE SHOE, 2 3/8" SN & RIH W/ 36 JTS TBG. EOT @ 1163'.

10/6/03- OPEN WELL. BLW DN. PMP 40 BBLs DN CSG. FINISH RIH W/ 2 3/8" TBG, 217 JTS TOTAL IN WELL. BROACH TBG. LAND TBG. EOT @ 6936'. RD RIG. MOVE OFF 12:00 P.M.

14. I hereby certify that the foregoing is true and correct.

Name & Signature DEBRA DOMENICI *Debra Domenici* Title SR ADMIN ASSIST Date 10/13/03

(State Use Only)

**RECEIVED**

**OCT 28 2003**

**STATE OF UTAH**  
**DEPARTMENT OF NATURAL RESOURCES**  
**DIVISION OF OIL, GAS AND MINING**

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b> Do not use this form for proposals to drill new wells, deepen existing wells, or to reenter plugged and abandoned wells. Use APPLICATION FOR PERMIT – for such proposals		6. Lease Designation and Serial Number <b>MULTIPLE WELLS- SEE ATTACHED</b>
		7. Indian Allottee or Tribe Name  
		8. Unit or Communitization Agreement <b>MULTIPLE WELLS- SEE ATTACHED</b>
1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other (specify)		9. Well Name and Number <b>MULTIPLE WELLS- SEE ATTACHED</b>
2. Name of Operator <b>WESTPORT OIL &amp; GAS COMPANY, L.P.</b>		10. API Well Number <b>MULTIPLE WELLS- SEE ATTACHED</b>
3. Address of Operator <b>1368 SOUTH 1200 EAST, VERNAL, UTAH 84078</b>	4. Telephone Number <b>435-781-7060</b>	11. Field and Pool, or Wildcat <b>MULTIPLE WELLS- SEE ATTACHED</b>
5. Location of Well Footage : <b>MULTIPLE WELLS- SEE ATTACHED</b> County : <b>UINTAH</b> QQ, Sec, T., R., M : <b>MULTIPLE WELLS- SEE ATTACHED</b> State : <b>UTAH</b>		
<b>12. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA</b>		

**NOTICE OF INTENT**  
 (Submit in Duplicate)

<input type="checkbox"/> Abandonment	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Recompletion
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Multiple Completion	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Other <u>VARIANCE</u>	

Approximate Date Work Will Start \_\_\_\_\_

**SUBSEQUENT REPORT**  
 (Submit Original Form Only)

<input type="checkbox"/> Abandonment *	<input type="checkbox"/> New Construction
<input type="checkbox"/> Casing Repair	<input type="checkbox"/> Pull or Alter Casing
<input type="checkbox"/> Change of Plans	<input type="checkbox"/> Shoot or Acidize
<input type="checkbox"/> Conversion to Injection	<input type="checkbox"/> Vent or Flare
<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Other _____	

Date of Work Completion \_\_\_\_\_

Report results of Multiple Completions and Recompletions to different reservoirs on WELL COMPLETION OR RECOMPLETION AND LOG form.

\* Must be accompanied by a cement verification report.

13. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

Westport Oil & Gas requests a variance to Onshore Order No. 4, Part III C. a. requiring each sales tank be equipped with a pressure-vacuum thief hatch and/or vent line valve. The variance is requested as an economic analysis shows the value of the shrunk condensate will not payout the incremental cost of purchasing and maintaining the valve resulting in a loss of value over the producing life of the well.

The volume lost to shrinkage by dropping the tank pressure from 6 ozs. to 0 psig is shown to be 0.3% of the tank volume. This was determined by lab analysis of a representative sample from the field. The sample shrunk from 98.82% of original volume to 98.52% when the pressure was dropped. The average well produces approximately 6 bbls condensate per month. The resulting shrinkage would amount to 0.56 bbls per month lost volume due to shrinkage. The value of the shrunk and lost condensate does not recoup or payout the cost of installing and maintaining the valves and other devices that hold the positive tank pressure. An economic run based on the loss and costs is attached. Westport Oil & Gas requests approval of this variance in order to increase the value of the well to the operator and the mineral royalty owners.

COPY SENT TO OPERATOR

Date: 7-16-04  
 Initials: CD

14. I hereby certify that the foregoing is true and correct.

Name & Signature Debra Domenici Title Environmental Assistant Date 07/12/04

(State Use Only)

**Accepted by the**  
**Utah Division of**  
**Oil, Gas and Mining**

Federal Approval Of This  
 Action Is Necessary

**RECEIVED**

**JUL 14 2004**

Date: 7/15/04

By: [Signature]

See Instructions on Reverse Side

DIV. OF OIL, GAS & MINING

# Westport Oil & Gas, L.P. Project Economics Worksheet

## Instructions:

Fill in blue boxed areas with before and after project data. The evaluation results are shown below and graphed automatically at the bottom of the page. This sheet is protected to prevent accidental alteration of the formulas. See JTC for changes. OPX entered as annual costs and/or as unit OPX costs for \$/BF and \$/MCF

Project Name:

Condensate Shrinkage Economics

Is this Job a well pull or production rig Job ??? ☐ N (Y or N)

	BEFORE \$/Year	AFTER \$/Year	DIFFERENCE \$/Year
Gross Oil Revenue	\$1,088	\$1,099	\$11
Gross Gas Revenue	\$0	\$0	\$0
NGL Revenue	\$0	\$0	\$0
PULLING UNIT SERVICE			\$0
WIRELINE SERVICE			\$0
SUBSURF EQUIP REPAIRS			\$0
COMPANY LABOR			\$0
CONTRACT LABOR	\$0	\$200	\$200
CONTR SERVICE			\$0
LEASE FUEL GAS	\$0	\$0	\$0
UTILITIES - ELECTRICITY	\$0	\$0	\$0
CHEMICAL TREATING			\$0
MATERIAL & SUPPLY	\$0	\$150	\$150
WATER & HAULING			\$0
ADMINISTRATIVE COSTS			\$0
GAS PLANT PROCESSING			\$0
<b>Totals</b>	<b>\$0</b>	<b>\$350</b>	<b>\$350</b>

Increased OPX Per Year

## Investment Breakdown:

	Cap/Exp Code	Cost, \$
Capital \$	820/830/840	\$1,200
Expense \$	830/860	\$0
Total \$		\$1,200

Oil Price	\$ 23.00	\$/BO
Gas Price	\$ 3.10	\$/MCF
Electric Cost	\$ -	\$/ HP / day
OPX/BF	\$ 2.00	\$/BF
OPX/MCF	\$ 0.62	\$/MCF

## Production & OPX Detail:

	Before		After		Difference	
Oil Production	0.192	BOPD	0.194	BOPD	0.002	BOPD
Gas Production	0	MCFPD	0	MCFPD	0	MCFPD
Wtr Production	0	BWPD	0	BWPD	0	BWPD
Horse Power		HP		HP	0	HP
Fuel Gas Burned		MCFPD		MCFPD	0	MCFPD

## Project Life:

Life = 20.0 Years  
(Life no longer than 20 years)

## Internal Rate of Return:

After Tax IROR = #DIV/0!

## AT Cum Cashflow:

Operating Cashflow = (\$2,917) (Discounted @ 10%)

## Payout Calculation:

Payout =  $\frac{\text{Total Investment}}{\text{Sum(OPX + Incremental Revenue)}}$  = 1

Payout occurs when total AT cashflow equals investment  
See graph below, note years when cashflow reaches zero

Payout = NEVER Years or #VALUE! Days

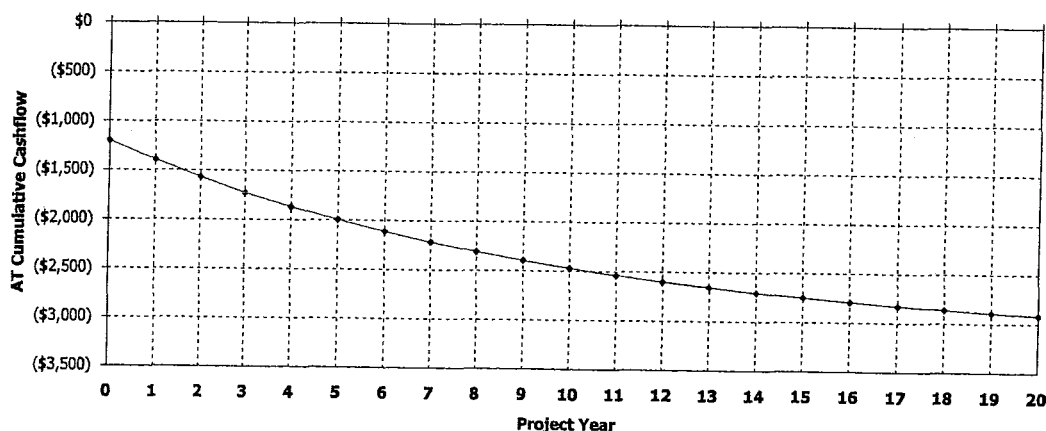
## Gross Reserves:

Oil Reserves = 6 BO  
Gas Reserves = 0 MCF  
Gas Equiv Reserves = 38 MCFE

## Notes/Assumptions:

An average NBU well produces 0.192 Bcpd with no tank pressure. The production is increased to 0.196 Bcpd if 6 ozs of pressure are placed on the tank. The increased production does not payout the valve cost or the estimated annual maintenance costs.

Project: Condensate Shrinkage Economics





**Westport Oil and Gas, Inc.**  
**NBU/Ouray Field**  
RFL 2003-022

**COMPARISON OF FLASH BACK PRESSURES**

Calculated by Characterized Equation-of-State

Flash Conditions		Gas/Oil Ratio ( scf/STbbl ) (A)	Specific Gravity of Flashed Gas ( Air=1.000 )	Separator Volume Factor (B)	Separator Volume Percent (C)
psig	°F				

***Calculated at Laboratory Flash Conditions***

80	70			1.019	
0	122	30.4	0.993	1.033	101.37%
0	60	0.0	—	1.000	98.14%

***Calculated Flash with Backpressure using Tuned EOS***

80	70			1.015	
6.0 oz	65	24.6	0.777	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
4.0 oz	65	24.7	0.778	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
2.0 oz	65	24.7	0.779	1.003	98.82%
0	60	0.0	—	1.000	98.52%
80	70			1.015	
0	65	24.8	0.780	1.003	98.82%
0	60	0.0	—	1.000	98.52%

(A) Cubic Feet of gas at 14.696 psia and 60 °F per Barrel of Stock Tank Oil at 60 °F.

(B) Barrels of oil at indicated pressure and temperature per Barrel of Stock Tank Oil at 60 °F.

(C) Oil volume at indicated pressure and temperature as a percentage of original saturated oil volume.

Note: Bubblepoint of sample in original sample container was 80 psig at 70° F with 1 cc water

WELL	LEGALS	STF LEASE NO	CA NUMBER	API NO
ARCHY BENCH STATE 1-2	NENE SEC 2, T11S, R22E	ML22348A		4304731489
BAYLESS STATE 02-01	SWSE SEC 2, T9S, R20E	ML47044		4304734540
BONANZA 1023-2A	NENE SEC. 2, T10S, R23E	ML47062		4304735347
BONANZA 1023-2C	NENW SEC. 2, T10S, R23E	ML47062		4304735346
BONANZA 1023-2E	SWNW SEC. 2, T10S, R23E	ML47062		4304735345
KENNEDY WASH STATE 16-1	NWNW SEC 16, T8S, R23E	ML47212		4304733589
MORGAN STATE 01-36	SENE SEC 36, T9S, R21E	ML22265		4304730600
MORGAN STATE 02-36	NWNE SEC 36, T9S, R21E	ML22265		4304732585
MORGAN STATE 03-36	NWNE SEC 36, T9S, R21E	ML22265		4304732589
MORGAN STATE 04-36	NWSW SEC 36, T9S, R21E	ML22265		4304732729
MORGAN STATE 05-36	NWSE SEC 36, T9S, R21E	ML22265		4304732735
MORGAN STATE 06-36	SWNW SEC 36, T9S, R21E	ML22265		4304732810
MORGAN STATE 07-36	NENW SEC 36, T9S, R21E	ML22265		4304732811
MORGAN STATE 08-36	NENE SEC 36, T9S, R21E	ML22265		4304732812
MORGAN STATE 09-36	SWNE SEC 36, T9S, R21E	ML22265		4304732815
MORGAN STATE 10-36	SENE SEC 36, T9S, R21E	ML22265		4304732816
MORGAN STATE 11-36	NESW SEC 36, T9S, R21E	ML22265		4304732813
MORGAN STATE 12-36	NESE SEC 36, T9S, R21E	ML22265		4304732814
MORGAN STATE 13-36	SESE SEC 36, T9S, R21E	ML22265		4304732817
MORGAN STATE 14-36	SWSW SEC 36, T9S, R21E	ML22265		4304733092
MORGAN STATE 15-36	SESW SEC 36, T9S, R21E	ML22265		4304733094
MORGAN STATE 16-36	SWSE SEC 36, T9S, R21E	ML22265		4304733093
STATE 01-32	NESW SEC 32, T10S, R22E	ML22798	891008900A	4304734317
STATE 02-32	SESW SEC 32, T10S, R22E	ML22798		4304734831
STATE 03-32	NWSW SEC 32, T10S, R22E	ML22798		4304734832
STATE 1022-32A	NENE SEC. 32, T10S, R22E	ML22798		4304735096
STATE 1022-32J	NWSE SEC 32, T10S, R22E	ML22798		4304735095
STATE 1022-32M	SWSW SEC 32, T10S, R22E	ML-22798		
STATE 1022-32O	SWSE SEC. 32, T10S, R22E	ML22798		4304735315
STATE 11-36	NESW SEC 36, T8S, R21E	ML22051	9C-205	4304734505
STATE 14-16	SWSW SEC 16, T7S, R21E	ML40904		4304731417
STATE 31-32	SESE SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304730906
STATE 32-21	NESE SEC 32, T8S, R21E	ML22052	9C-204	4304730754
STIRRUP STATE 32-1	NWNE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731557
STIRRUP STATE 32-1-J	NWSE SEC 32, T6S, R21E	ML40226		4304731646
STIRRUP STATE 32-2	SENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304731626
STIRRUP STATE 32-6 SWD	NENE SEC 32, T6S, R21E	ML22036	UTU76783X	4304732784
UTE TRIBAL 31-060	NESW SEC 31, T8S, R22E	ML28048	VR49I-84688C	4304733340
WONSITS STATE 01-32	SWNE SEC 32, T7S, R22E	ML47780		4304732820
WONSITS STATE 02-32	SWSE SEC 32, T7S, R22E	ML47780		4304732819
WONSITS STATE 05-32	SENE SEC 32, T7S, R22E	ML47780		4304733678
WONSITS STATE 09-32	NESW SEC 32, T7S, R22E	ML47780		4304734060

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22265
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 681'FSL & 738'FWL		8. WELL NAME and NUMBER: MORGAN STATE 14-36
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 36 9S 21E		9. API NUMBER: 4304733092
COUNTY: UINTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES
STATE: UTAH		

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input checked="" type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input type="checkbox"/> OTHER: _____
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

4/14/05: PMP 2 DRUMS OF 15% HCL ACID.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST  
SIGNATURE *Sheila Upchego* DATE 4/25/2005

(This space for State use only)

RECEIVED  
MAY 03 2005  
DIV. OF OIL, GAS & MINING

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 9

**SUNDRY NOTICES AND REPORTS ON WELLS**

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____		5. LEASE DESIGNATION AND SERIAL NUMBER: ML-22265
2. NAME OF OPERATOR: WESTPORT OIL & GAS COMPANY L.P.		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY VERNAL STATE UT ZIP 84078		7. UNIT or CA AGREEMENT NAME:
4. LOCATION OF WELL FOOTAGES AT SURFACE: 681'FWL & 738'FWL		8. WELL NAME and NUMBER: MORGAN STATE 14-36
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: SWSW 36 9S 21E		9. API NUMBER: 4304733092
COUNTY: UTAH		10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate) Approximate date work will start: _____	<input type="checkbox"/> ACIDIZE	<input type="checkbox"/> DEEPEN	<input type="checkbox"/> REPERFORATE CURRENT FORMATION
	<input type="checkbox"/> ALTER CASING	<input type="checkbox"/> FRACTURE TREAT	<input type="checkbox"/> SIDETRACK TO REPAIR WELL
	<input type="checkbox"/> CASING REPAIR	<input type="checkbox"/> NEW CONSTRUCTION	<input type="checkbox"/> TEMPORARILY ABANDON
	<input type="checkbox"/> CHANGE TO PREVIOUS PLANS	<input type="checkbox"/> OPERATOR CHANGE	<input type="checkbox"/> TUBING REPAIR
	<input type="checkbox"/> CHANGE TUBING	<input type="checkbox"/> PLUG AND ABANDON	<input type="checkbox"/> VENT OR FLARE
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only) Date of work completion: _____	<input type="checkbox"/> CHANGE WELL NAME	<input type="checkbox"/> PLUG BACK	<input type="checkbox"/> WATER DISPOSAL
	<input type="checkbox"/> CHANGE WELL STATUS	<input type="checkbox"/> PRODUCTION (START/RESUME)	<input type="checkbox"/> WATER SHUT-OFF
	<input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS	<input type="checkbox"/> RECLAMATION OF WELL SITE	<input checked="" type="checkbox"/> OTHER: WORKOVER
	<input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS: Clearly show all pertinent details including dates, depths, volumes, etc.

12/20/05 PROG: RU WEATHERFORD CAPILLARY TRUCK. CHECK CSG & TBG PRESS, BOTH 345#. CLOSE MASTER VALVE. RU 2-3/8" COUPLING & CAPILLARY INJECTOR ON LUBRICATOR. CHARGE DNHOLE INJECTION MANDREL (1"OD) TO 3200# BACKPRESS & INSTALL ON CAPILLARY STRING. CHARGE SACRIFICIAL PACKOFF ON INJECTOR. RIH WITH 1/4" 2205 DUPLEX (0.180" ID) CAPILLARY TBG. LAND STRING @ 6973' (ESTIMATE 7' OF STRETCH, END OF STRING AT +/-6980'). TOOK 1.75 HOURS TO RUN STRING. RELEASE SACRIFICIAL PACKOFF & ENERGIZE PERMANENT PACKOFF IN HANGER ASSY. SET SLIPS ON CAP STRING. SPOOL OFF AN EXTRA 50' OF CAPILLARY & CUT OFF. ASSEMBLE SUNPMPR CHEMICAL PMP (5 GPD @ 1000# MODEL) & HOOK UP NALCO 2054 CHEMICAL TO CAPILLARY. LEAVE PMP RUNNING TO FILL STRING. RDMO. ENTIRE JOB TOOK 3.5 HOURS.

NAME (PLEASE PRINT) <u>SHEILA UPCHEGO</u>	TITLE <u>REGULATORY ANALYST</u>
SIGNATURE <u><i>Sheila Upchego</i></u>	DATE <u>1/10/2006</u>

(This space for State use only)

**RECEIVED**  
**JAN 17 2006**

DIV. OF OIL, GAS & MINING

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

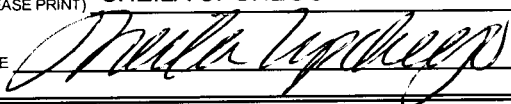
FORM 9

<b>SUNDRY NOTICES AND REPORTS ON WELLS</b>  Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.		5. LEASE DESIGNATION AND SERIAL NUMBER: <b>ML-22265</b>
		6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
		7. UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER _____	8. WELL NAME and NUMBER: <b>MORGAN STATE 14-36</b>	
2. NAME OF OPERATOR: <b>WESTPORT OIL &amp; GAS COMPANY L.P.</b>		9. API NUMBER: <b>4304733092</b>
3. ADDRESS OF OPERATOR: 1368 S. 1200 E. CITY <b>VERNAL</b> STATE <b>UT</b> ZIP <b>84078</b>		PHONE NUMBER: <b>(435) 781-7024</b>
4. LOCATION OF WELL FOOTAGES AT SURFACE: <b>681'FSL &amp; 738'FWL</b>  QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: <b>SWSW 36 9S 21E</b>		10. FIELD AND POOL, OR WILDCAT: <b>NATURAL BUTTES</b>  COUNTY: <b>UINTAH</b>  STATE: <b>UTAH</b>

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA			
TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> NOTICE OF INTENT (Submit in Duplicate)  Approximate date work will start: _____	<input checked="" type="checkbox"/> ACIDIZE <input type="checkbox"/> ALTER CASING <input type="checkbox"/> CASING REPAIR <input type="checkbox"/> CHANGE TO PREVIOUS PLANS <input type="checkbox"/> CHANGE TUBING <input type="checkbox"/> CHANGE WELL NAME <input type="checkbox"/> CHANGE WELL STATUS <input type="checkbox"/> COMMINGLE PRODUCING FORMATIONS <input type="checkbox"/> CONVERT WELL TYPE	<input type="checkbox"/> DEEPEN <input type="checkbox"/> FRACTURE TREAT <input type="checkbox"/> NEW CONSTRUCTION <input type="checkbox"/> OPERATOR CHANGE <input type="checkbox"/> PLUG AND ABANDON <input type="checkbox"/> PLUG BACK <input type="checkbox"/> PRODUCTION (START/RESUME) <input type="checkbox"/> RECLAMATION OF WELL SITE <input type="checkbox"/> RECOMPLETE - DIFFERENT FORMATION	<input type="checkbox"/> REPERFORATE CURRENT FORMATION <input type="checkbox"/> SIDETRACK TO REPAIR WELL <input type="checkbox"/> TEMPORARILY ABANDON <input type="checkbox"/> TUBING REPAIR <input type="checkbox"/> VENT OR FLARE <input type="checkbox"/> WATER DISPOSAL <input type="checkbox"/> WATER SHUT-OFF <input type="checkbox"/> OTHER: _____
<input checked="" type="checkbox"/> SUBSEQUENT REPORT (Submit Original Form Only)  Date of work completion: <b>10/13/2005</b>			

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

10/13/05: PMP 4 DRUMS OF 15% HCL ACID W/FLUSH W/15 BBLS WATER.

NAME (PLEASE PRINT) <b>SHEILA UPCHEGO</b>	TITLE <b>REGULATORY ANALYST</b>
SIGNATURE 	DATE <b>10/28/2005</b>

(This space for State use only)

RECEIVED

NOV 02 2005

DIV. OF OIL, GAS & MINING

Division of Oil, Gas and Mining  
**OPERATOR CHANGE WORKSHEET**

ROUTING	
1. DJJ	
2. CDW	

**X Change of Operator (Well Sold)**

Operator Name Change/Merger

The operator of the well(s) listed below has changed, effective:

**1/6/2006**

**FROM: (Old Operator):**

N2115-Westport Oil & Gas Co., LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

**TO: ( New Operator):**

N2995-Kerr-McGee Oil & Gas Onshore, LP  
 1368 South 1200 East  
 Vernal, UT 84078  
 Phone: 1-(435) 781-7024

CA No.		Unit:		NATURAL BUTTES UNIT		
WELL NAME	SEC TWN RNG	API NO	ENTITY NO	LEASE TYPE	WELL TYPE	WELL STATUS

**OPERATOR CHANGES DOCUMENTATION**

Enter date after each listed item is completed

- (R649-8-10) Sundry or legal documentation was received from the **FORMER** operator on: 5/10/2006
- (R649-8-10) Sundry or legal documentation was received from the **NEW** operator on: 5/10/2006
- The new company was checked on the **Department of Commerce, Division of Corporations Database** on: 3/7/2006
- 4a. Is the new operator registered in the State of Utah: YES Business Number: 1355743-0181
- 4b. If **NO**, the operator was contacted on: \_\_\_\_\_
- 5a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
- 5b. Inspections of LA PA state/fee well sites complete on: n/a 3 LA wells & all PA wells transferred
- 5c. Reports current for Production/Disposition & Sundries on: ok
6. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM 3/27/2006 BIA not yet
7. **Federal and Indian Units:**  
The BLM or BIA has approved the successor of unit operator for wells listed on: 3/27/2006
8. **Federal and Indian Communization Agreements ("CA"):**  
The BLM or BIA has approved the operator for all wells listed within a CA on: n/a
9. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: \_\_\_\_\_

**DATA ENTRY:**

- Changes entered in the **Oil and Gas Database** on: 5/15/2006
- Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 5/15/2006
- Bond information entered in RBDMS on: 5/15/2006
- Fee/State wells attached to bond in RBDMS on: 5/16/2006
- Injection Projects to new operator in RBDMS on: \_\_\_\_\_
- Receipt of Acceptance of Drilling Procedures for APD/New on: n/a Name Change Only

**BOND VERIFICATION:**

- Federal well(s) covered by Bond Number: CO1203
- Indian well(s) covered by Bond Number: RLB0005239
- (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number RLB0005236
- a. The **FORMER** operator has requested a release of liability from their bond on: n/a rider added KMG  
The Division sent response by letter on: \_\_\_\_\_

**LEASE INTEREST OWNER NOTIFICATION:**

- (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: 5/16/2006

**COMMENTS:**



UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

PLEASE BE ADVISED THAT KERR-McGEE OIL & GAS ONSHORE LP, IS CONSIDERED TO BE THE OPERATOR OF THE ATTACHED WELL LOCATIONS. EFFECTIVE JANUARY 6, 2006.

KERR-McGEE OIL & GAS ONSHORE LP, IS RESPONSIBLE UNDER TERMS AND CONDITIONS OF THE LEASE(S) FOR THE OPERATIONS CONDUCTED UPON LEASE LANDS. BOND COVERAGE IS PROVIDED BY STATE OF UTAH NATIONWIDE BOND NO. RLB0005237.

RECEIVED

MAY 10 2006

DIV. OF OIL, GAS & MINING

BLM BOND = C01203

BIA BOND = RLB0005239

APPROVED 5/16/06

Earlene Russell  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

RANDY BAYNE

Title

DRILLING MANAGER

Signature

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED  
OMB No. 1004-0135  
Expires November 30, 2000

5. Lease Serial No.

MULTIPLE LEASES

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

8. Well Name and No.

MUTIPLE WELLS

9. API Well No.

10. Field and Pool, or Exploratory Area

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

WESTPORT OIL & GAS COMPANY L.P.

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SEE ATTACHED

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other CHANGE OF OPERATOR
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

EFFECTIVE JANUARY 6, 2006, WESTPORT OIL & GAS COMPANY L.P., HAS RELINQUISHED THE OPERATORSHIP OF THE ATTACHED WELL LOCATIONS TO KERR-McGEE OIL & GAS ONSHORE LP.

APPROVED 5/16/06  
*Earlene Russell*  
Division of Oil, Gas and Mining  
Earlene Russell, Engineering Technician

RECEIVED  
MAY 10 2006

DIV. OF OIL, GAS & MINING

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

BRAD LANEY

Signature

Title

ENGINEERING SPECIALIST

Date

May 9, 2006

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

*Brad Laney*

Title

Date

5-9-06

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR McGEE OIL & GAS ONSHORE LP  
Address: P.O. Box 173779  
city DENVER  
state CO zip 80217

Operator Account Number: N 2995

Phone Number: (720) 929-6304

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304733092	MORGAN STATE 14-36		SWSW	36	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
C	13194	2900	9/6/2000			2/1/12	
Comments: moved into NBU - 3130/2012.							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

JAIME SCHARNOWSKE

Name (Please Print)

Signature

REGULATORY ANALYST

Title

3/28/2012

Date

**RECEIVED**  
**MAR 29 2012**

(5/2000)

Div. of Oil, Gas & Mining

**STATE OF UTAH**  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

FORM 6

**ENTITY ACTION FORM**

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995  
Address: P.O. Box 173779  
city DENVER  
state CO zip 80217 Phone Number: (720) 929-6304

**Well 1**

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304733092	Morgan State 14-36		SWSW	36	9S	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
C	2900	13194	9/6/2000		7/18/2012		
Comments: <u>put into NBU in error</u>							

**Well 2**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**Well 3**

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

**ACTION CODES:**

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to new entity
- E - Other (Explain in 'comments' section)

JAIME SCHARNOWSKE

Name (Please Print)

*Jaime Scharnowske*

Signature

REGULATORY ANALYST

7/9/2012

Title

Date

**RECEIVED**  
JUL 09 2012